CO_2 PERFORMANCE LADDER©

Working together to cut CO_2

Handbook

CO_2 Performance Ladder **3.0**

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Stichting Klimaatvriendelijk Aanbesteden & Ondernemen

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Foreword

Insight, reduction, transparency and participation. The four words form the centre of the CO_2 Performance Ladder. An increasing number of companies are becoming familiar with these principles of the sustainability instrument that stimulates businesses to reduce CO_2 emission. Both in business and in the value chain. Certified companies provide exceptional performance by using the ladder as a motor of innovation and when reducing their CO_2 emission.

We could say that sustainability has become the new norm for modern business. The CO_2 Performance Ladder is a major stimulus for your organisation to concretise sustainability. The CO_2 Performance Ladder does not only give you an insight into your own CO_2 emission, it also helps you to efficiently take on the reduction of CO_2 and inform your contacts how this is done. Furthermore, the CO_2 Performance Ladder challenges you to stimulate cooperation and innovation.

Companies are stimulated to save CO_2 because a higher rung on the ladder offers an fictional advantage in the tendering process of clients. In plain language: ecology is good for the economy.

However, an instrument like the CO_2 Performance Ladder is always evolving. Due to the strong growth in use of the ladder and to offer companies new perspectives, the SKAO, in cooperation with inter-trade organisations, market parties and local authorities continued to develop the CO_2 Performance Ladder. Widening and deepening growth was a primary principle here. The handbook you are now reading is the result of this cooperation. Without the dedication of representatives of these parties, this version could have never been created in this way. On behalf of the board, I therefore express my thanks to all parties involved.

Handbook 3.0 is more robust and more uniform, so higher ambitions and results lead to more distinguishing capacity. You will notice this when you start using the CO_2 Performance Ladder. You reduce CO_2 and costs, strengthen your competitive position, demonstrate innovative power and position your organisation as a sustainable business. The market endorses this; the number of certified companies and the number of clients adopting the CO_2 Performance Ladder in invitations for tenders continues to increase steadily.

Also on behalf of the board of the SKAO, I wish you lots of luck in achieving your reduction objectives.

Patrick Buck
Chairman Foundation for Climate Friendly Procurement and Business

Introduction

The CO_2 Performance Ladder is a sustainability instrument that aims to substantially increase CO_2 reduction in companies. This concerns a reduction in operational management and in the *value chain*. Companies can achieve this through new forms of collaboration and innovation throughout this value chain.

The CO_2 Performance Ladder is about energy-saving, CO_2 reduction in the value chain and the use of sustainable energy. The CO_2 Performance ladder does not seek to regulate production methods or product standards, but actually creates greater scope for creativity and the renewal of company processes and products.

The CO_2 Performance Ladder is a *CO_2-management system*: it requires *continuous improvement* of insight, further CO_2 reduction measures, communication and operational management cooperation. In the execution of *projects*, but also in the value chain.

The CO_2 Performance Ladder has five levels, ascending from 1 to 5. For each level, requirements for the CO_2 performance are defined for the *company* and its projects. These requirements come from four different angles: insight, reduction of emissions, transparency and participation. The position of a company on the CO_2 Performance Ladder is determined by the highest level on which the company meets all requirements.

The CO_2 Performance Ladder helps companies structure internal business processes on energy saving and CO_2 reduction and set up sustainability reports with a focus on CO_2. The CO_2 Performance Ladder also helps companies reduce costs and recognise opportunities in operational management and in the value chain. Finally, the CO_2 Performance Ladder can be an advantage in tenders from (public) clients.

Rewarding sustainability in the tendering process:
The CO_2 Performance Ladder can also be used by government organisations and business in the tendering process. The principle behind the CO_2 Performance Ladder is that effort is rewarded. A higher score on the ladder means a concrete advantage in the tendering process, in the form of a -fictitious- notional discount on the tender price. Information about this has no longer been included in Handbook 3.0. The corresponding MEAT requirements are also no longer mentioned in the Handbook. All information about tendering with the CO_2 Performance Ladder, as well as MEAT requirements can be found on the website of the *SKAO*.

(Further) development
The CO_2 Performance Ladder was developed further on the basis of two important basic principles:

- Maximum focus on own initiative, practical results and innovation;
- Minimum pressure and interference of the company concerning rules and imposed measures.

In the realisation of Handbook 3.0 user suggestions were listened to and international standards were also adhered to. The main changes are:

- Introduction of the 'Objective per requirement'.
- New interpretation of requirement 5.A and the integration of the *Trade-oriented Clarification for Engineering Firms*.
- More uniform assessment of reduction objectives through the introduction of *lists of measures.*
- The structure is more logical and the texts are sharper and formulated less ambiguously.

The List of Changes that is part of this standard includes an overview of all changes that were made between Handbook CO_2 Performance Ladder version 2.2 of 4 April 2014 and version 3.0 of 10 June 2015.

Reader's guide

The reader's guide gives a brief explanation of how the Handbook is constructed and which information can be found where. Part of Handbook 3.0 (Chapter 1-3) follows division of international standards. Chapter 1 of this Handbook describes the area of application or the scope of the CO_2 Performance Ladder. It also describes the status of the Handbook and the transitional arrangement. Chapter 2 includes all standards the Handbook refers to. Terms and definitions is Chapter 3.

The other chapters follow the steps of the certification process (see Figure 1).
The first and second step are described in Chapter 4. In the first stage of the certification process of the CO_2 Performance Ladder, the organisation lays down which aspects or entities of the organisation need to be included in the ladder assessment, i.e. it determines the *organisational boundary*.

During the second stage, the *company* assesses whether the whole *certification diagram* applies, or whether the company (depending on its *size*) gets any requirement exemptions. The exemptions and methods determining the limit and scope of the company, are mentioned in Chapter 4.

During the third stage of the certification process, the company prepares for the *audit* (*ladder assessment*). This means that the company draws up a *portfolio* with which it can indicate that it meets the general requirements and the requirements of the *audit check list and* of the CO_2 Performance Ladder (Chapter 6). From level 3 a company must draw up an emission inventory. Chapter 5 provides information about this emission inventory and the corresponding CO_2 emission factors.

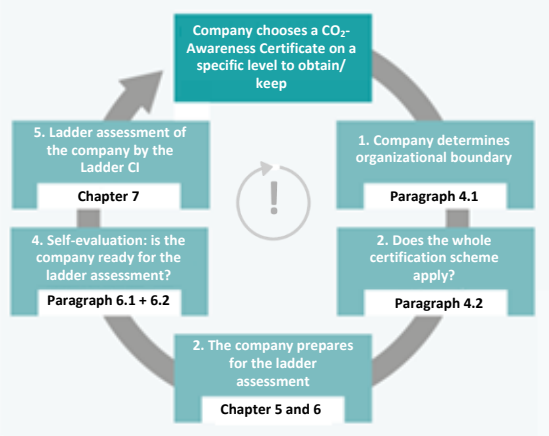

Figure 1. Certification process CO_2 Performance Ladder

During the fourth stage in the certification process, the company itself evaluates, before the *Ladder CI* visits, whether it is ready for the ladder assessment. §6.1 describes how the company can carry out this assessment.
The final stage of the certification process is the ladder assessment. A Ladder CI assesses the company via an audit (stage 5). After a successful ladder assessment, the Ladder CI will issue a *CO_2 Awareness Certificate*. Chapter 7 includes all information about certifying in accordance with the CO_2 Performance ladder.

Handbook 3.0 uses

- Terms and definitions (Chapter 3) are in italics in the text for the sake of clarity.
- Symbol for *continuous improvement.*
  The CO_2 Performance Ladder is a *CO_2 management system*. It is mainly based around the 'plan-do-check-act' cycle. Evident passages in the certification diagram where continuous improvement is important, can be recognised by the symbol:
- Indicates exemption in the audit checklist (*S/M/L)*.
  Certain requirements do not apply to *small* and *medium-size* companies. The second column of the audit checklist indicates to which size category the requirements applies.
  In the clarification of the requirements (§6.2), an exception for small business is indicated with:
- Examples in the Handbook are informative and are clearly marked with 'Example:'

Scope

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1. Scope

Scope
The CO_2 Performance Ladder Handbook is the only formal document that forms the framework for the CO_2 Performance Ladder. This standard includes all requirements for obtaining, implementing, preserving and improving a *CO_2 management system* a certified *company* must meet in accordance with the CO_2 Performance Ladder. The Handbook also includes principles and requirements for the competence, consistency and impartiality of the *audit* and certification of the CO_2 Performance Ladder and for all parties involved in this assessment.

Status
The Handbook CO_2 Performance Ladder is **normative** and does not include any informative aspects, with the exception of the examples. Harmonisation instruments as described in §7.1.5 are published on the website of the *SKAO*. These are normative and apply after publication on the website.

What is informative is the practical Guide with Work Instructions. The SKAO published this on its website. With this Guide, a company gets an insight in a surveyable, accessible manner into how the company can obtain and preserve a *CO_2 Awareness Certificate*. The List of Changes that is part of Handbook 3.0 is also informative.

Transitional arrangement 2.2-3.0
The Handbook CO_2 Performance Ladder version 3.0 is published on 10 June 2015.
Companies can, in consultation with the *Ladder CI*, be certified from this date on the basis of the CO_2 Performance Ladder version 3.0.

For companies on level 1, 2 or 3, a three-month transition period applies from 10 June 2015.
From 1 October 2015 all ladder assessments (*initial*, *annual* and *reassessment*) up to level 3 will take place on the basis of version 3.0.

A longer transition period applies for companies on level 4 and 5, as the implementation of changes from Handbook 2.2 to 3.0 requires more time. For companies on level 4 or 5, a one-year transition period applies from 10 June 2015 (12 months).
From 10 June 2016 all ladder assessments (initial, annual and reassessment) on level 4 and 5 will take place on the basis of version 3.0.

Trade-oriented Explanation for Engineering Firms
The line of thought of the trade-oriented Explanation (BOT) for Engineering Firms (version 1.1, 20 December 2013) was copied in Handbook CO_2 Performance Ladder version 3.0. For the requirements in question (requirement 4.A and 5.A) the BOT is integrated in version 3.0. This replaces the separate clarification of the BOT for Engineering Firms[1]. This BOT applied to all companies active in the *sector* with SBI code 71.1 (Architects, engineers and technical design and advice). Companies active in this sector that obtain a CO_2 Awareness Certificate in accordance with CO_2 Performance Ladder version 2.2 up to10 June 2016, should until this date be assessed in accordance with the BOT for engineering firms (version 1.1). From 10 June 2016 all ladder assessments will take place on the basis of Handbook 3.0.

Scope of Acceptance
The standard CO_2 Performance Ladder was developed by a Central Body of Experts functioning within the SKAO (CCvD). As a scheme manager, the SKAO meets the requirements drawn up by the Raad van Accreditatie (RvA). The RvA acceptance for this scheme is known as S571.

[1] In Handbook 3.0 requirements for 4.A and 5.A are all the same again for all companies. The way in which the requirements are interpreted, may however differ per type of business (see §6.2 requirements 4.A and 5.A).

Target groups of this Handbook
The SKAO distinguishes the following target groups from the Handbook:

- Auditors of Ladder CIs use the Handbook to assess companies for the CO_2 Performance Ladder.
- CSR managers of companies use the Handbook to implement the CO_2 Performance Ladder in their company.
- Advisors use the Handbook to advise companies who want to be certified for the CO_2 Performance Ladder.

Foundation for Climate-Friendly Procurement and Business (SKAO)
The SKAO is the scheme owner and manager of the CO_2 Performance Ladder. The SKAO is responsible for the use, further development, management of the *certification scheme* and the broadening to other clients and new sectors. The SKAO has a Board, an Advisory Body, a Central Body of Experts, a Technical Committee and a secretariat. ProRail is the initiator of the CO_2 Performance Ladder. On 16 March 2011 ProRail separated the CO_2 Performance Ladder and assigned it to the independent SKAO.

The SKAO website includes the Handbook, as well as, among others, the following documents to be downloaded: the List of Changes, the Manual and Work Instructions, value chain analyses, initiatives and the sample calculation for the *self-evaluation*. The SKAO website also provides information such as assigned and terminated certificates, the history of the ladder and the composition of the above-mentioned (foundation) bodies of the SKAO.

Publication of the CO_2 Performance Ladder Handbook
The Handbook is published on the SKAO website www.skao.nl. The SKAO aims to limit the frequency with which the Handbook is updated to once a year, unless an earlier update is urgently necessary. A new, updated version of the Handbook can be published on any working day between 9.00 AM and 6.00 PM. The SKAO shall inform those involved via newsletters on its site and via social media. However, all parties are themselves responsible for keeping up to date with the most recently published version.

Complaints and appeals
The SKAO has a complaint and appeals procedure. It is available from the secretarial office of the SKAO and also on the website.

Normative references

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2. Normative references

The CO_2 Performance Ladder Handbook version 3.0 refers to a number of standards. The following documents below apply to the use of this document. For dated references only the cited version applies. For undated references, the latest version of the document (including modification pages) that is referred to applies.

GHG Protocol
The 'Greenhouse Gas Protocol (GHG Protocol) Initiative' was launched in 1998 by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI) with the double objective of developing an international standard for the accountability and reporting of the emissions of greenhouse gases by companies and of distributing this standard as broadly as possible. See www.ghgprotocol.org.

The GHG protocol consists of several modules. Handbook 3.0 refers to three modules:

- A Corporate Accounting and Reporting Standard: 2004.
- Corporate Value chain (scope 3) Accounting and Reporting Standard: 2011.
  (in Handbook 3.0 this standard is referred to as 'GHG Protocol Scope 3 Standard')
- Product Life Cycle Accounting and Reporting Standard: 2011.

Green Gold Label (GGLS8):2012
Greenhouse Gasses and Energy Balance Calculation Standard

NEN-EN-ISO 14064-1:2012
Description: *Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*

NEN-EN-ISO 14064-3:2012
Description: *Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions*

NEN-EN-ISO 14065:2013
Description: *Greenhouse gases - Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition*

NEN-EN-ISO/IEC 17021:2011
Description: *Conformity assessment - Requirements for bodies providing audit and certification of management systems*

NEN-EN-ISO 50001:2011
Description: *Energy management systems - Requirements with guidance for use*

NPR-CEN-ISO/TS 14067:2014
Description: *Greenhouse gases - Carbon footprint of products - Requirements and guidelines for quantification and communication*

NTA 8080:2009
Netherlands Technical Agreement NTA 8080
Description: *Sustainability criteria for biomass for energy purposes*

Glossary

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3. Terms and definitions

The list below defines all concepts, as used in this Handbook.

A

A sector-wide CO_2 emission reduction programme
A sector-wide CO_2 emission reduction programme is a reduction programme that aims at measures across an entire sector, with a reduction objective for a whole sector and the like.

Active participation
Participation in the activities of an *initiative* where participation is geared towards gaining knowledge and experience that is relevant to the company itself, as well as providing information, knowledge and experience that is relevant to other participating companies.

Annual ladder assessment
An annual ladder assessment is the ladder assessment, carried out by a Ladder CI at a company, one or two years after the initial ladder assessment or likewise after the reassessment, whereby the level of certification remains unchanged, and which forms the basis for the ladder CI to declare that this level is still applicable.

Audit
Systematic, independent and documented process for obtaining an image of the CO_2 achievements of a company and objectively assessing this in order to determine the extent to which the requirements of the CO_2 Performance Ladder are met.

Audit checklist
The audit checklists (§6.2) of the CO_2 Performance Ladder comprise:
- per Angle (A - D), a table with requirements that need to be met, adapted to the company's size;
- the objectives per requirement;
- the score guideline;
- an explanation of the requirements;
- the minimum criteria for the *ladder assessment*;
- the guidelines for the method of the *Ladder CI* in the ladder assessment.

C

Category A, B and C measures
For each measure on the *measures list* various levels of implementation have been defined.
- **Category A**
  Category A concerns a 'standard' level of implementation, more than 50% of companies, for who the activity, including this measure, is relevant, has implemented this measure on this level.
- **Category B**
  Category B concerns an 'advanced' level of implementation, 20% to 50% of companies, for who the activity, including this measure, is relevant, has implemented this measure on this level.
- **Category C**
  Category C concerns an 'ambitious' level of implementation, only a few (maximum 20%) companies have implemented this measure on this level.

Certification scheme
The CO_2 Performance Ladder is the certification scheme that includes the rules of play' for certifying the CO_2 management system of the CO_2 Performance Ladder. All *Ladder CI*s connected to the SKAO adopt the certification scheme when implementing ladder assessments. The certification scheme comprises:
- methods to determine the limit and size of the company (Chapter 4);
- method and CO_2 emission factors to determine the *emission inventory* (Chapter 5);

- general requirements of the CO_2 Performance Ladder (§6.1);
- *audit checklists* (Angles A, B, C and D) (§6.2);
- Verification and certification rules in accordance with the CO_2 Performance Ladder (Chapter 7).

Value chain
A value chain is defined as a certain line of supplying and purchasing companies.

Value chain analysis
Analysis of CO_2 emissions in one of the value chains a company is active in.

Value chain initiative
A value chain initiative is a planned approach (part of requirement 4.B.2) to realize a pre-determined reduction objective (requirement 4.B.1) in the value chain on the basis of a value chain analysis (requirement 4.A.1) together with partners in the relevant value chain.

Value chain partners
Upstream as well as downstream parties in the value chain(s) of the company the company works with. These can be, for instance, customers, distributors, suppliers or principals.

Company
The company as is determined by the organizational boundary in accordance with Chapter 4. In the ISO 14064 series, the terms organization, organizational boundaries and operational boundaries are used. The terms company and organization are synonymous here.

Company size (small/medium sized/big company)
The CO_2 Performance Ladder distinguishes small, medium sized and big companies (S/M/B) on the basis of CO_2 emission. To be part of size category 'small' or 'medium sized', a company must meet both conditions under the 'Work/deliveries' definition (see Table 4.1).
In all cases this concerns CO_2 emission in scope 1 & 2 emissions in the organizational boundary of the company (as determined in §4.1).

Continuation
is the continuation of an activity at the same level, and with the same approach (goal and means), whereby the contents are updated.

Continuous improvement
Continuous, repeated processes in the company that are geared towards the improvement of the CO_2 performance as well as to the improvement of the management system. This is also described as 'Plan-Do-Check-Act' (PDCA) or 'Deming circle'.

Correction
Removing/restoring a deviation.

Corrective measure
Measure to remove the cause of a deviation and to prevent repetition.

CO_2 Awareness Certificate
Document assigned by a recognised Ladder CI that indicates the justified trust that the management system for CO_2-aware actions of a company meet the requirements for the level of the CO_2 Performance Ladder mentioned on the certificate.

CO_2 emission
The total mass of CO_2 emitted into the atmosphere over a specific period.

CO_2 emission inventory
An overview of all CO_2 sources and CO_2 emissions of a company as part of the CO_2 Performance Ladder. For more information, see §5.1.

CO_2 emission reduction programme
A CO_2 emission reduction programme is a planned approach to have measures that are described in concrete terms implemented, and that continues as long as necessary for the realization of a pre-determined substantial reduction objective for a specific group of companies, or for a category of projects, materials or processes.

CO_2 footprint or Carbon footprint
CO_2 footprint is synonymous for CO_2 footprint or carbon footprint: a measure, expressed in tonnes of CO_2, for the emission of CO_2 as a result of the use of fossil fuels in traffic, aviation, transport, production of electricity, heating, etc., that at least comprises all scope 1 and 2 emissions separately.

D Development project

A development project is a project-based activity in the area of initiatives, innovation and reduction

- to make new techniques available, or
- to remove obstacles in the way of the execution of existing possibilities.

More specifically stated in requirement 4.D.1: “development projects that make it easier for the sector to reduce CO_2 when carrying out projects...”.

Deviation
Not meeting a requirement.

Direct emissions
Direct emissions, or *scope 1 emissions*, are the company's own emissions, such as emissions from its own gas use (e.g. gas boilers, heating systems and ovens) and emissions from the company's own vehicle fleet. Also see Figure 5.1, the scope diagram.

Direct value chain partners
Parties in the value chain the company has a contractual relation with such as suppliers, buyers, customers and clients.

Downstream emissions
Indirect CO_2 emissions of sold products and services, this also includes products and services that are distributed, but not sold (i.e. without payment). Also see §5.1. and Scope diagram (Figure 5.1).

E Energy assessment

The energy assessment comprises the identification and evaluation process of the energy used in the organisation. The energy assessment consists of an analysis of the main features of energy use (for the organisation as a whole concerning various sources of energy) and energy use and analysis in more detail for the identification of the facilities, appliances or processes that have a significant influence on energy use. In order to take specific measures for the reduction of the energy consumption and related costs, it is necessary to acquire insight into the existing energy consumption, its division across the various business objectives, the causes of energy loss and so forth.
The energy assessment primarily concerns current use. Also see ISO 50001 §4.4.3.

G Global measure

Indicator for the CO_2 efficiency of the whole company, e.g. on the basis of CO_2 per turnover or CO_2/FTE.

I

Implementation
Implementation means setting in motion an activity such as the realization of objectives (reduction objectives, or the objectives of a management system), by charging the responsible employees with this activity.

Indirect emissions
Indirect emissions are a result of the activities of the company, but arise from sources that are neither owned nor controlled by the company. Indirect emissions can concern *scope 2* as well as *scope 3*.

Initiative
An initiative can be a *development project* or a *value chain initiative*.

Initial ladder assessment
An initial ladder assessment is the ladder assessment performed by a Ladder CI for a company which forms the basis for a *CO_2 Awareness Certificate* being issued at a new level. This can be the start-up level (e.g. level 3) but also an upgrade to a higher level (e.g. from level 3 to level 4 or 5).

Internal audit
Audits that are carried out by or on behalf of the organisation itself for management review and other internal purposes (for instance to confirm the effectiveness of the management system or to acquire information to be able to improve the management system).

K

Knowledge institute
Organisation that is independent and professional and has relevant knowledge of life cycle analyses and CO_2 emission. This can be, for instance, a university or consultancy.

L

Ladder assessment
The ladder assessment is the *audit* (conformity assessing activity) of a Ladder CI on the basis of the standard CO_2 Performance Ladder. The CO_2 Performance Ladder distinguishes an initial, annual and reassessment.

Ladder CI
A Ladder Certifying Organization (Ladder CI) is a conformity assessing institute that has authorization from the Foundation for Climate Friendly Procurement and Business to perform a certification or audit (also known as ladder assessment) if this ladder CI has been accredited by the Dutch Accreditation Council or equivalent by a different accreditation organization with which the Accreditation Council has entered into a Multi Lateral Agreement MLA (EA/IAF) for the activity "management system certification of the CO_2 awareness system according to the CO_2 Performance Ladder".

LEE
Long-term agreement concerning energy-efficiency for Emission Trading Scheme (ETS) companies.

List of measures
The list of measures is a non-exhaustive list with CO_2 reduction measures, divided according to frequent activities of companies taking part in the CO_2 Performance Ladder.

LTA
Long-term agreement concerning energy-efficiency 2001–2020.

M

Management review
Review of a management system by the management of the company to guarantee the permanent

suitability, implementation, adequacy and effectiveness of the system. This review must take place at least once a year.

Management system
A consistent whole of arrangements and methods and an organisational structure for methodical and systematic management and improvement of business processes to realise the objectives.

Materiality (flows of energy of CO_2 emissions (scope 1 and 2))
Material are emissions of a company that are of such extent that they influence the assessments and estimates (including reduction objectives) of decision-makers and stakeholders in and around the company). Particularly by seeing to the material emissions for reliable insight, the company contributes to stakeholders taking the right decisions.

N

NGO
A non-government organization (or NGO) is an organization that is independent of the government and that concentrates in one way or another on a supposed public interest. Generally they are organizations that work on promoting environmental protection, health, development work or supporting human rights.

P

Parties in the value chain
All parties with a role in the value chain(s) the company is active in.

Passive participation
Participation in the activities of an initiative, where the participation primarily focuses on retrieving knowledge and experience that is relevant for the company.

Portfolio
Compilation of audit proof that a company submits to the Ladder CI as part of a ladder assessment. Audit proof are registrations, claims based on facts or other information that is relevant for the audit criteria and verifiable. Audit proof can be qualitative or quantitative.

Product Market Combination (PMC)
Combinations of products (or services) and markets that are relevant for the company's turnover

Progress
Progress is the continuation of an activity whereby qualitative improvement is achieved, a larger part of an objective is realized, etc.

Projects
A project can be a construction project at a building site, a maintenance contract, an advisory and design assignment, or a delivery of goods and services.

- Projects: all projects of a company separately.
- Projects: an undefined number of random projects of a company.
- The project portfolio: all projects of a company together.

Stages of projects

- Started project: a project that was awarded less than six months previously.
- Current project: a project that was awarded more than six months previously, but has not yet been completed.
- Completed project: a project that has been delivered.

Projects for which CO_2-related award advantage have been obtained
These are the projects of a company with a CO_2 Awareness Certificate that were awarded in a tender to the company, and

- for which the company has tendered with submission of the CO_2 Awareness Certificate of the company, or
- for which the company has tendered including an offered CO_2 ambition level.

R

Reassessment
A reassessment is the ladder assessment carried out by a Ladder CI every three years after the initial ladder assessment, whereby the level of certification has remained unchanged and which forms the basis of a CO_2 Awareness Certificate being issued at the same level.

Regular follow-up
Regular follow-up is a possible feature of *continuation* or *progress* of an activity. There is regular annual follow-up if the activity in question is ready every year on the same date and month as the corresponding initial activity.
There is a regular six-monthly follow-up if the activity is also ready every year on the same date 6 months earlier for the annual follow-up.
These are fixed reference dates; considered separately, every activity may be ready relative to these dates no more than 1 month earlier or later.

Relevant emissions (scope 3)
Relevant emissions are emissions of a company that are of such extent that they influence the assessments and estimates (including reduction objectives) of decision-makers and stakeholders in and around the company. Particularly by seeing to the relevant emissions for reliable insight, the company contributes to stakeholders taking the right decisions. Relevant emissions for scope 3 are determined by the following criteria: emissions that are significant in size compared to the (expected) total size of *scope 3* emissions; emissions the company can influence in the value chain, emissions of activities that can form a risk for the company, emissions of activities that can be critical for major stakeholders, emissions of activities that are outsourced but have been carried out previously within the boundary of the company. As well as emissions that have been identified by the sector as relevant (see Chapter 5 for more information).

S

Scope 1 emissions or direct emissions
Scope 1 emissions, or *direct emissions*, are emissions emitted by installations owned or controlled by the organisation, such as emissions from its own gas use (e.g. gas boilers, heating systems and ovens) and emissions from the company's own vehicle fleet. Also see figure 5.1, the scope diagram.

Scope 2 emissions or indirect emissions
Scope 2 or *indirect emissions*, are emissions caused by generating electricity, heat and ventilation and steam in installations that do not belong to the own company, but are used by the organisation, such as emissions released when generating electricity in power stations. Please note: the CO_2 Performance Ladder also includes 'Business Travel'/'Transport of passengers during working hours' (Business Travel= 'Business air Travel', 'Personal Cars for business travel' and 'Business travel via public transport') in scope 2.

Scope 3 emissions or other indirect emissions
Scope 3 emissions or other *indirect emissions*, are emissions that are a result of the activities of the company (the organization) but arise from sources that are neither owned nor controlled by the company. Examples are emissions coming from the production of purchased materials (*upstream*) and the company's use of offered/sold work, project, service or supply (*downstream*) The CO_2 Performance Ladder

also includes ‘Business Travel’/‘Transport of passengers during working hours’ (Business Travel= ‘Business air Travel’, ‘Personal Cars for business travel’ and ‘Business travel via public transport’) in scope 2.

Scope 3 strategy
The guiding principles (with a generic character) the company employs when executing the reduction measures in scope 3, in order to achieve that these efficiently and consistently contribute to the realisation of the business strategy.

Sector (trade)
A sector (trade) is a label for all companies together that are active in a certain category of products or services. In order to keep the definition of the sector concept uniform, the current Standard Industrial Classification (SIC) of Statistics Netherlands (CBS) is used.

Self-evaluation
Annual evaluation in preparation of the *ladder assessment* by the company, of the functioning and implementation of the CO_2 Performance Ladder in the company on the basis of the general requirements (see §6.1) and the *audit checklist* (see §6.2) to estimate the probable achievable level on the CO_2 Performance Ladder. See www.skao.nl/documenten for the self-evaluation table.

Size category
See *company size.*

Stages of projects
See *projects.*

Structural
An activity is structural if it has regular follow-up, among other things.

Supplier
A supplier is an entrepreneur who supplies works, services and/or deliveries. The company buys (acquires) works, services and/or deliveries from suppliers. The purchase turnover of the company is the amount (invoice value) of all purchases exclusive of VAT. Purchases in the area of financial and legal services are excluded. Suppliers by definition do not come under the organizational boundary of the company.

- **A-supplier**
  An A-supplier is a supplier who belongs to the largest suppliers of the company that together are responsible for at least 80% of the purchase turnover.
- **C-supplier**
  A C-supplier, or corporate supplier, is a supplier who has a controlling relationship (financial and/or operational control) within the same corporate group as the receiver of the supply. In other words, supplier and receiver are both wholly or partially members of the same corporate group (in terms of power, control, ownership etc.).
- **A&C supplier**
  An A&C-supplier is both A-supplier and C-supplier.

T

The Foundation for Climate-Friendly Procurement and Business (SKAO)
The Foundation for Climate-Friendly Procurement and Business has been the scheme owner and manager of the CO_2 Performance Ladder since 16 March 2011.

Trade association
A combination of several companies from one trade or sector connected to an employee umbrella organisation, compiled in an association or another legal entity.

U

Upstream emissions
Indirect CO_2 emissions of abolished or acquired products and services. See Figure 5.1, the scope diagram.

Up-to-date
Up-to-date means no older than one year unless the text explicitly states otherwise.

V

Verification
In a verification the emission inventory (drawn up in accordance with ISO 14064-1 §7.3.1 a - q) is verified in accordance with ISO 14064-3 by an authorised verifier (see §7.3 of this Handbook). The emissions inventory must cover all business units and activities that come under the boundary as stated on the CO_2 Awareness Certificate.

For verification, the evidence presented is assessed by an authorized organization (see §7.3) on the following principles of ISO 14064-1, Chapter 3: relevance, completeness, consistency, accuracy and transparency.

Requirement 3.A.2 concerns an official verification of the emission inventory in accordance with ISO 14064-3 and these principles need to be applied. In case of a positive verification, a verification declaration is drawn up in accordance with ISO 14064-3, §4.9 (validation and verification statement). For verification there is a choice between a declaration with a 'limited degree of certainty' or 'reasonable degree of certainty' and no system certificate. In accordance with the ladder, a limited degree of certainty applies here (see requirement 3.A.2).
The official verification of an emission inventory is a different procedure than the ladder assessment.

Verification and certification
The company can have various activities performed in the scope of the CO_2 Performance Ladder:

- certification (of the company). The method of assessment in the certification is called the ladder assessment.
- verification (of a completed emission inventory, etc.).

Voluntary CO_2 emission reduction programme
A programme established by the government or NGOs. In this kind of programme, organizations commit voluntarily to reducing CO_2.

Boundary and size of the company

4

4. Boundary and size of the company

Before a *company* is certified, it is important that the company determines what the company will have certified. The limits and scope of the organisation are guiding here. This Chapter includes the rules companies need to adhere to in accordance with the CO_2 Performance Ladder to determine the boundary and size of the company.

Paragraph 4.1 gives more information about the limit of a company. There are two methods for this: the GHG Protocol method and lateral method. The second method is accompanied by a detailed step-by-step plan. In addition, the procedure the company goes through if it deviates from the lateral methods is explained. Paragraph 4.2 describes the method of determining the *size category* of companies.

4.1 Determining the boundary of a company

The '*organizational boundary'* is key for the *ladder assessment*. The organizational boundary must be chosen such that no *C-suppliers* are found under the *A-suppliers*. In order to meet this requirement, in principle two methods are available:
The 'GHG Protocol method' and the so-called 'lateral method'.

Method 1: the GHG Protocol method

This method is according to the GHG Protocol (A Corporate Accounting and Reporting Standard, Chapter 3 'Setting organizational boundaries'). The method works top-down and is adequate. This method enables companies to apply the 'equity share' approach as well as the 'control' approach.

Essence

The highest top of the hierarchy of companies is selected (for instance on holding level) and it is determined on the basis of the GHG Protocol which companies belong to the organizational boundary. The hierarchy oversees the controlling relationships between companies. This is checked against the conditions that the boundary is chosen in such a way that no C-suppliers are found under the A-supplier, so there are no surprises.

Method 2: the lateral method

This method partly consists of the GHG Protocol method and it is partly the customisation for the CO_2 Performance Ladder. The method is lateral and adequate[2].

Essence

AC analysis to determine the organizational boundary in accordance with the lateral method
Step a: Choice of starting company.
A company is chosen[3] as the top of a (sub) hierarchy of companies and then acts according to method 1. This step provides a group of companies that are called 'Part S'.
Step b: Lateral (iterative) analysis.
The A-suppliers are determined on the basis of a consolidated or non-consolidated cost of sales of Part S. These A-suppliers are analysed to see whether they are also C-suppliers. If so, then these suppliers form a group of companies called 'Part L'.
The cost of sales is then reduced by the cost of sales of the companies belonging to Part L. The previous analysis is repeated and Part L may be completed by one or more companies. Several matters are repeated (iteration) until Part L no longer changes. A more detailed step-by-step plan is given on the next page, step 1 to step 5, of this type of analysis.

[2] This method does not include the requirement that double counting CO_2 emissions are not allowed.
[3] This is usually the operating unit that wants to obtain a CO_2 Awareness Certificate.

Step c: Determining the boundary.
By combining the companies of Part S and Part L, the organizational boundary is determined. These companies together form 'the company' whose CO_2 performance is measured.

Detailed step-by-step plan of the lateral method
Step 1: Arrange all suppliers (creditors) according to cost of sales in decreasing order. The supplier that acquires the most, ends up at number 1. See an example in Figure 4.1. In this example there are 200 suppliers with a total cost of sales of more than €1 billion. The largest supplier generates more than €100 million.

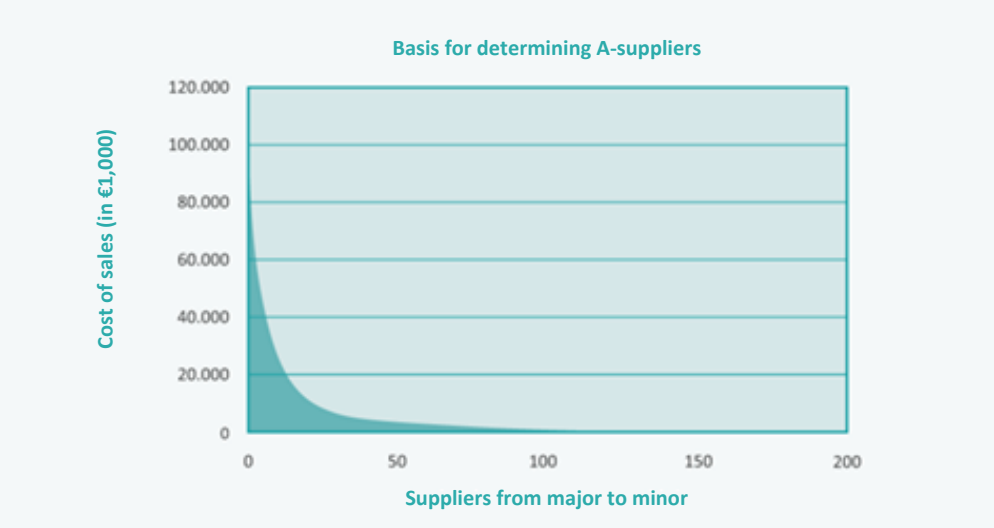

Figure 4.1. Suppliers from large to small on the basis of cost of sales.

Step 2: On the basis of step 1, the turnover per supplier can now be expressed in a percentage of the total. This is represented cumulatively in Figure 4.2. In this example, supplier number 1 provides almost 10% of the total cost of sales and number 1 and 2 combined, over 18%. The magnified beginning of the cumulative from Figure 4.2 provides Figure 4.3.

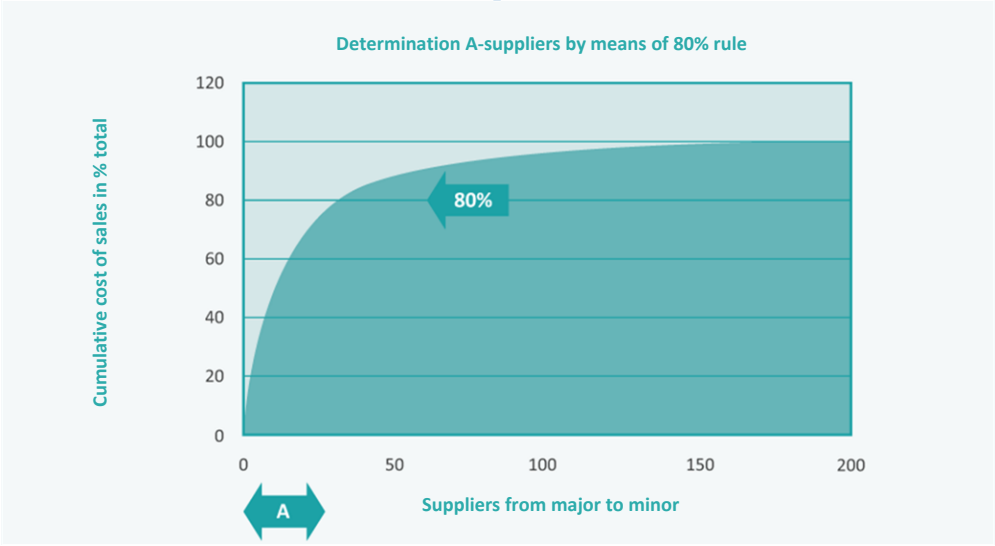

Figure 4.2. Cumulative cost of sales of suppliers in percentages of the total.

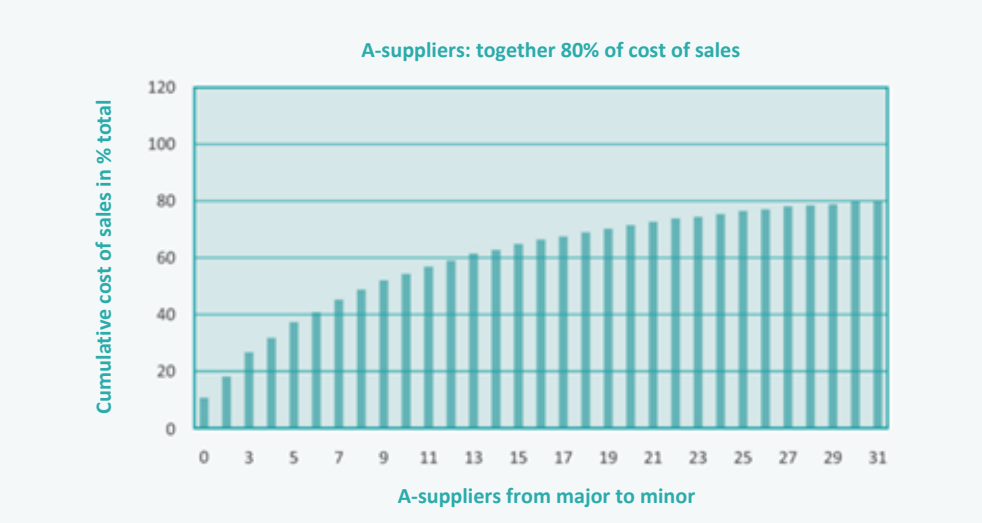

Figure 4.3. Magnified beginning of Figure 4.2.

Step 3: The supplier who exceeds the cumulative 80% limit of the company with its cost of sales, is still part of the A-suppliers. In the example, this is provider number 31 with a turnover more than of €6 million (more than 0.6% of the total), see Figure 4.3. Supplier with number 32 is therefore not an A-supplier.
Step 4: The A-suppliers have now been determined. There may be C-suppliers among these A-suppliers. These C-suppliers now need to be included in the 'organizational boundary' and are therefore no longer a supplier.
Step 5: The A-suppliers that also turn out to be C-suppliers, must now be removed from the supplier file (Figure 4.1). This has thus created a new basis as a basic principle. The previous analysis must also be repeated and the C-suppliers then found must also be included in the boundary. This iterative process ends the moment there are no longer any C-suppliers among the A-suppliers.

To be considered: AC-analysis in an early phase
In practice, it turns out that making an AC-analysis in an early phase is a good start to determine the organizational boundary and the planning of the activities to acquire certification.

Review of what is mentioned above
1. A comment regarding method 1. It is possible that when using method 1, the GHG Protocol method (top-down), one starts from the top of a (sub)hierarchy of companies and finds out that a sister company also needs to be included in the boundary. At this moment the conclusion according to the GHG Protocol will be: the new boundary needs to be determined from a higher hierarchy level. From this higher level companies may come into sight that are far from the activities of a possible principal, but they must still be included in the boundary. This may be nice from a social point of view, but this is not the intention of the CO_2 Performance Ladder. Method 2 provides a solution for this. This method may also require the crossing of borders.
2. A comment regarding method 2. By aiming for a national certificate there are several principals with various tasks. These various tasks probably require the involvement of various companies (in the holding). If the choice of starting company from method 2, the lateral method, is made on a hierarchical level that is too low (only specifically geared towards one principal, which adopts the CO_2 Performance Ladder for tenders) it can turn out later on that a review and/or expansion of the organizational boundary is necessary, with negative consequences.

3. If a requirement on a higher level of the hierarchy of companies is met, then the *Ladder CI* should logically examine and assess whether:
    - the company is part of this hierarchy of companies, and

- whether the requirement on a higher level has unequivocally and transparently led to a specific requirement and that the company subsequently meets this.

A framework for complex cases in the boundary determination with method 2

In the lateral method, the problem may arise at step 5 that the starting company has too little authority to include a C-supplier that is also an A-supplier (*A&C-provider*) in the boundary. In principle, this must be enabled on a higher level via entity relationships. The argument that a greater boundary is more future proof, is an additional argument.

Still, organisational constructions are conceivable where compulsory inclusion of an A&C-provider is disproportional in the boundary and is therefore not feasible. This then blocks access to the starting company's certification.

In this type of dilemma the *Ladder CI* must weigh up within the following framework:

1. The Ladder CI is reluctant in allowing A&C suppliers not to be included as a legal entity in the boundary.
2. Of the A&C suppliers not included as a legal entity in the boundary, the relevant[4] part[5] of this legal entity should be included in the boundary. This should be indicated on the certificate.
3. Only the legal entities that have been included in the boundary can make use of the certificate.
4. The duty to be included in the boundary is not compulsory for supporting ICT services from branches outside Europe[6]. They are exempted, so that the requirement of point 3 can be met, but it is then necessary that the company itself adds the required estimates.
   An indication of this on the certificate is not necessary, nor desirable.
5. Where the hierarchal entity relationship is too weak to implement the involvement of the A&C supplier, the company itself should add the necessary substantiated estimates. Naturally, this A&C supplier is then not in the boundary and can therefore not use the award advantage.
6. The A&C suppliers not included in the boundary as a legal entity, are removed from the whole AC analysis. Subsequently, the AC analysis is carried out again according to the same rules of play, iterative where necessary.
7. In case of doubt, a Ladder CI can obtain advice from the Central College of Experts.
8. In his considerations, the Ladder CI takes account of the harmonisation decisions of the Technical Committee.

Departing from the lateral method

Within the existing regulations to determine the organizational boundary, the Ladder CI has freedom of interpretation to allow certain exceptions. This is discussed in the framework above. However, in some cases it is not possible to determine the company's organizational boundary via the methods mentioned above and within the above-mentioned framework. This can include major (internationally) operating organisations.
For these organisations it is possible to deviate from the lateral method via the procedure below. This procedure is intended to harmonise the method of boundary determination of complex organisations so the boundary determination persists in *annual assessments* and/or in case of certificate takeover by a different Ladder CI.

An organisation can submit a request to the *SKAO* to depart from the lateral method. This is only possible if the organisation has demonstrably made all reasonable efforts to have its organizational boundary determined using the GHG or the lateral method. In addition, it must be demonstrable that

[4] Relevant in the sense of being involved in what is offered/supplied to the company.
[5] This part should be a semi-fixed part of the organizational structure to be able to make comparisons in time.
[6] With Europe we mean all (candidate) member states of the EU and EVA countries. EFTA = European Free Trade Association.???

all reasonable efforts have been made to realise accountability (financial or operational) in relations. If this does not lead to a feasible situation, the organisation, in agreement with its Ladder CI, can submit a request to the SKAO to depart from the lateral method.

Procedure for determining the method for departing from the lateral method

1. In agreement with its Ladder CI, the company submits a request to the SKAO to depart from the method for approval of 'deviation from the lateral method'.
2. The request is aligned to the own Ladder CI and includes at least the following:
    - an analysis of the boundary according to the lateral method (A)
    - proposal of the boundary, deviating from the lateral method (B)
    - indication of the difference of the emission inventory between boundary A and B, and the influence on the relevant business units
    - argumentation for the chosen approach
3. For a complete request, the SKAO appoints an 'ad-hoc' Boundary Committee of three experienced auditors (>10 ladder assessments) of three different Ladder CIs (not the company's 'own' Ladder CI).
4. The Boundary Committee assesses the company's request to depart from the lateral method. Here, the Boundary Committee takes account of:
    - the boundary description as determined in §4.1,
    - the relevance of the boundary for projects tendered with the CO_2 Performance Ladder and carried out with CO_2-related award advantage,
    - the materiality (as formulated in clarification requirement 4.A.1 scope, influence, risk, critical for stakeholders, outsourcing, others) of the emissions of entities that remain outside the boundary due to the deviation.
    - the clarity with which certain matters can be and are communicated to the public.
5. The costs[7] of the request's assessment are borne by the company, but go via the SKAO. The company includes a declaration in its request, in which it declares to bear the costs related to the assessment.
6. The Boundary Committee makes a pronouncement within three months after confirmation of receipt of the request by SKAO.
7. The Boundary Committee's assessment is added to the company's file, so it is available during the annual assessment or in case of a certificate takeover.
8. The Boundary Committee's assessment is harmonised in the Technical Committee.
9. The Boundary Committee's assessment is binding.

As previously stated, the ladder assessment of the boundary resulting from this deviating method, is the task of the company's Ladder CI. The company does need to adhere to its own deviating method.

[7] To be considered: the Boundary Committee consists of three auditors. The assessment time of the request is estimated at one man-day per auditor.

4.2 Determining the size of the company

The CO_2 Performance Ladder distinguishes company sizes. The CO_2 Performance Ladder distinguishes small, medium size and big companies on the basis of CO_2 emission.

To be part of the *size category* 'small' or 'medium sized', a company must meet both conditions under the 'Work/deliveries' definition (see Table 4.1). In all cases this concerns the *CO_2-emission in scope 1&2* emissions in the organizational boundary of the company (as determined in §4.1).

Table 4.1. Size categories CO_2 Performance Ladder

	Services[8]	Working/supplying
Small company (S)	Total CO_2 emissions amount to no more than (≤) 500 tonnes per year.	Total CO_2 emissions *of the offices and industrial premises* amount to no more than (≤) 500 tonnes per year, **and** the total CO_2 emissions *of all building sites and production locations* amount to no more than (≤) 2,000 tonnes a year.
Medium sized company (M)	Total CO_2 emissions amount to no more than (≤) 2,500 tonnes per year.	Total CO_2 emissions *of the offices and industrial premises* amount to no more than (≤) 2,500 tonnes a year, **and** total CO_2 emissions *of all building sites and production locations* amount to no more than (≤) 10,000 tonnes a year.
Large company (L)	Total CO_2 emissions amount to more than (>) 2,500 tonnes per year.	Other

Exemption for small and medium sized companies

The following exemptions and rules apply to small and medium sized companies:

- Requirements 5.A.2-2, 5.A.3, 4.C, 5.C, 4.D and 5.D do not apply to small companies. Small companies must make only one *value chain analysis* for requirement 4.A.1 instead of two.
- Requirements 4.C, 4.D and 5.D do not apply to medium-size companies.
- These requirements are therefore (notionally) fulfilled. Notionally meeting a requirement results in 90% of the maximum score per exempted requirement.

Exemptions for small and medium sized companies are also indicated in the second column of the *audit checklist*.

[8] These definitions are in accordance with the definitions of the EC Directives 2004/17 and 2004/18.

Emissions and CO_2 emission factors

5

5. Emissions and CO_2 emission factors

In §5.1 you can read about the type of company emissions, so you know when to include which emissions of the company. §5.2 is about the basic principles of the CO_2 emission factors and how these are used in the framework of the CO_2 Performance Ladder. Finally, Chapter 5 is about the transition period for new CO_2 emission factors and recalculation.

5.1 CO_2 emission inventory, scope division and materiality

From CO_2 Performance Ladder level 3 the company has to map out the *CO_2 emission* (*scope 1*& 2[9] emissions) of the *company* (as determined in §4.1). From level 4 a company must also report about its *scope 3* emissions. The company reports about scope 1, 2 and 3 emissions through a report on the CO_2 emission inventory. Below is an explanation about a number of terms and their coherence.

CO_2 emissions inventory

The report about the *CO_2 emission inventory* is drawn up for the CO_2 Performance Ladder in accordance with ISO 14064-1 §7.3.1 (also see §6.2, requirement 3.A.1.). Depending on the level on the CO_2 Performance Ladder, the CO_2 emission inventory comprises *direct* and *indirect emissions* as a result of the company activities, subdivided in scope 1, 2 and 3 emissions. This primarily concerns the material (scope 1 and 2) and relevant (scope 3) emissions. Indirect scope 3 emissions can originate *upstream* as well as *downstream*.

Scope division

Scope 1 emissions or direct emissions

Scope 1 emissions, or direct emissions, are emissions from the installations that belong to or are checked by the organisation, such as emissions from its own gas use (e.g. gas boilers, heating systems and ovens) and emissions from the company's own vehicle fleet. Also see Figure 5.1, the scope diagram.

Scope 2 emissions or indirect emissions

Scope 2 or indirect emissions, are emissions caused by generating electricity, heat and ventilation and steam in installations that do not belong to the own company, but are used by the organisation, such as emissions released when generating electricity in power stations. Please note: the CO_2 Performance Ladder also includes 'Business Travel'/'Transport of passengers under working hours' (Business Travel= 'Business air Travel', 'Personal Cars for business travel' and 'Business travel via public transport') in scope 2.

Scope 3 emissions or other indirect emissions

Scope 3 emissions or other indirect emissions, are emissions that are a result of the activities of the company (the organization) but arise from sources that are neither owned nor controlled by the company. Examples are emissions arising from the production of purchased materials (upstream) and use of the work, project, service or delivery supplied or sold by the company (downstream). The CO_2 Performance Ladder also includes 'Business Travel'/'Transport of passengers during working hours' (Business Travel= 'Business air Travel', 'Personal Cars for business travel' and 'Business travel via public transport') in scope 2.

- **Upstream (scope 3) emissions**
  Indirect CO_2 emissions of abolished or acquired products and services. Eight categories can be identified here. See Table 5.1 and the scope diagram.
- **Downstream (scope 3) emissions**
  Indirect CO_2 emissions of products and services (or projects) after sale. This also includes

[9] The basis of these definitions is given in the GHG protocol 'A Corporate Accounting and Reporting Standard', chapter 4 'Setti ng Operational Boundaries'.

products and services that are distributed, but not sold (i.e. without payment). Seven categories can be identified here. See Table 5.1 and the scope diagram.

More information about this category division can be found in Chapter 5 'Identifying Scope 3 emissions' of the GHG Protocol Scope 3 Standard.

Table 5.1. Category division *upstream* and *downstream* scope 3 emissions in accordance with GHG Protocol Scope 3 Standard

Upstream:	Downstream:
1. Purchased goods and services 2. Capital goods 3. Fuel and energy-related activities (not included in *scope 1* or scope 2) 4. Upstream transport and distribution 5. Waste generated in operations 6. ~~Business travel~~ [10] 7. Employee commuting 8. Upstream leased assets	9. Downstream transportation and distribution 10. Processing of sold products 11. Use of sold products 12. End-of-life treatment of sold products 13. Downstream leased assets 14. Franchises 15. Investments

Scope division business travel/transport of passengers during working hours

The definitions in the scope diagram (Figure 5.1) for scope 2 and 3 emissions due to business travel, generally apply. If there is a legitimate doubt, the answer to the question "Does the company declare the costs?" serves as a guide. If the answer is yes, then all emissions come under scope 2. If the answer is no, the emissions come under scope 3.[11] This forms a practical approach. That it can be declared means that the company can influence it and that the administration is set up to deal with it, so extra effort is limited.

Scope diagram

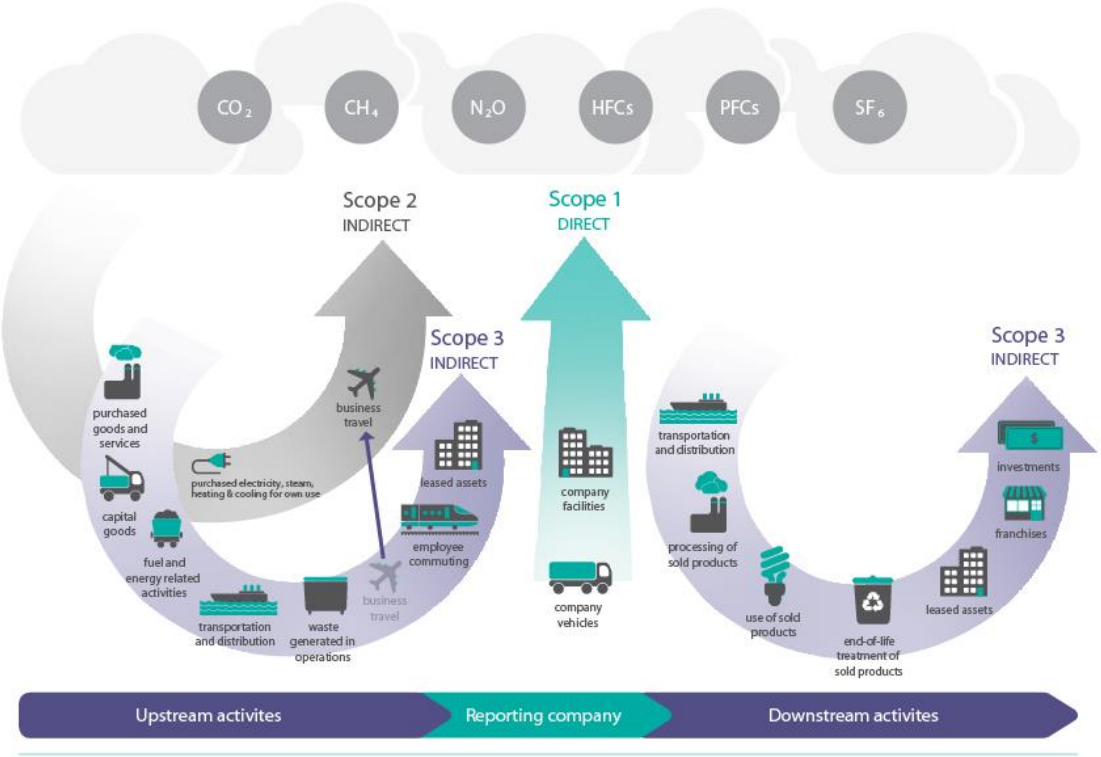

Figure 5.1. CO_2 Performance Ladder scope diagram. Based on scope diagram of GHG Protocol Scope 3 Standard. Take note! The CO_2 Performance Ladder includes 'Business Travel'/'Passenger travel during working hours' in scope 2

[10] SKAO includes Business Travel under scope 2
[11] This also includes self-employed people who declare transport costs for an assignment

Materiality and relevance
In any case, the CO_2 emission inventory comprises emissions that are material (scope 1 and 2) and relevant (scope 3). Whether something is material or relevant, is a case of expert judgement. Material emissions are emissions of a company that are of such extent that they influence the assessments and estimates (including reduction objectives) of decision-makers and stakeholders in and around the company. To put it differently: if these material emissions are omitted, this results in an incorrect image of the company's CO_2 emissions. As a rule of thumb for the threshold value of materiality, a value of 5% is adopted for the CO_2 Performance Ladder where all emissions above 5% of the total emissions are material. For more information about Materiality see ISO 14064-3, passage A.2.3.8 'Materiality'.

For scope 3 emissions the term 'relevant' is used instead of the term 'material'. Apart from the scope of the emissions, the following criteria also play a role in relevance:

- influence of the company on the emissions
- risks for the company
- emissions of critical importance to stakeholders
- outsourced emissions
- emissions that have been identified as significant/relevant by the *sector*

See the GHG Protocol Scope 3 Standard, Chapter 6 table 6.1 for more information.

Other greenhouse gasses (non-CO_2 greenhouse gases)
In Handbook 3.0 the report of the CO_2 emission inventory about all greenhouse gasses, expressed in CO_2 equivalents is not compulsory yet. It is therefore not required for Handbook 3.0 to include these non-CO_2 greenhouse gasses (CH_4, N_2O, HFCs, PFCs and SF_6) that are released during the company's operations in the emission inventory. This therefore also applies to refrigerants. Including non-CO_2 greenhouse gasses that are released due to business activities does indicate CO_2-aware actions, especially if the emissions in question are material.

Shifting environmental costs (CO_2 emissions) in space and time
Companies must avoid shifting their environmental impacts (in this case, CO_2 emissions) in time or space (leakage effects). The ladder CI does not rate shifting measures positively.

CO_2 compensation measures
CO_2 compensation measures do not fall within the measuring range of the ladder. Compensation measures therefore do not contribute to achieving a (higher) level on the CO_2 Performance Ladder. Please note: through this approach, the CO_2 Performance Ladder does not make any judgement about the social relevance of such measures.

5.2 The CO_2 Performance Ladder and the use of CO_2 emission factors

The *SKAO* has been aiming for a uniform and public Dutch list with CO_2 emission factors since 2011. The aim was on the one hand, to increase the credibility and the scope of the figures. On the other hand, with this list the SKAO wants to guarantee the similarity of various systems and CO_2 inventories of companies. This is the case as of 1 January 2015, and the list of CO_2 emission factors is published on the website www.co2emissiefactoren.nl. This website also includes contact details of the helpdesk that people can go to with questions about CO_2 emission factors.

5.2.1 General rules on the use of CO_2 emission factors

CO_2 emission factors are indicated to determine (aspects of) a '*carbon footprint*' and the *CO_2 emission inventory* for companies participating in the CO_2 Performance Ladder. It is a rule that the conversion factors are used in quantifying the occurrence of CO_2 emissions (emission inventory). The conversion factors to be used for converting energy carrier and/or activity into the amount of CO_2 emissions are listed on www.co2emissiefactoren.nl.

Companies must substantiate diversions of these CO_2 emission factors with reasons and submit this to the Ladder CI for review.

CO_2 emission factor basic principles
The CO_2 emission factors are based on basic principles; these can be found below and on www.co2emissiefactoren.nl. More detailed information per figure can be found in the sources listed here.

The reasons for indicating CO_2 emission factors for the CO_2 Performance Ladder are:

1. Matching up with and promoting the Dutch approach to CO_2.
2. Comparable CO_2 emission inventories.
3. Facilitating the determination of (parts of) a CO_2 emission inventory by the companies themselves.
4. Facilitating the verification of the emission inventory and the ladder assessment.

The website www.co2emissiefactoren.nl gives a choice of several CO_2 emission factors to facilitate quantification. Several basic principles for the use of the figures for the CO_2 Performance Ladder are emphasised below:

1. Well To Wheel (WTW) figures are always used. To put it differently, the CO_2 that is released when extracting and producing fuel is also included.
2. The criterion of the CO_2 Performance Ladder is the most accurate outcome; that is, the calculation method that results in the outcome that best corresponds with reality. If this is not possible (which is tested in *verification* (see requirement 3.A.2) and the ladder assessment of requirement 3.A.1), conversion factors are offered that enable a rougher calculation method.
3. International/European figures are used as much as possible, unless the Dutch situation deviates;
4. The use of other (officially recognised) factors
   a) The use of other (officially recognized) factors is permitted if this results in a more accurate outcome. For example, this applies to emissions overseas that deviate[12]. In this case, the emission inventory clearly states the origin of the other factors and demonstrates plausibly why their use results in a more accurate outcome. Both must be tested for verification and ladder assessment of requirement 3.A! The basic principles for the CO_2 emission factors and the method of calculation cannot be deviated from.
   b) The use of a different (officially recognized) factor is also permitted if a particular fuel, method of transport, etc., is not listed. In that case, the emissions inventory clearly states the origin of the other factor. This should be tested for verification and ladder assessment of requirement 3.A.1. The basic principles for the CO_2 emission factors and method of calculation cannot be deviated from.

      The following applies to 4a and 4b: The verifier and the ladder CI can inform the SKAO of the insights they approved during the verification or ladder assessment that involve different conversion factors. Permission from SKAO is not generally required for said approval. The SKAO will use these insights to obtain a Dutch list of CO_2 emission factors.

[12] www.co2emissiefactoren.nl tries to publish as many international emission factors as possible. This can, however, not be done for all CO_2 emission factors. Several depend on the situation in a country, such as, for instance, the fuel mix for the production of electricity.

For companies that have already obtained a CO_2 Awareness Certificate, changes in CO_2 emission factors will generally also imply changes to the base year. This means that the emissions in the base year must also be recalculated.

Determining *scope 3* emissions
To also determine scope 3 emissions, the above-mentioned basic principles and the factors on www.co2emissiefactoren.nl apply. When it concerns materials, a company has to use data of the Dutch National Environmental Database www.milieudatabase.nl. Deviations must be provided with reasons.

5.2.2 Calculating CO_2 emission with the CO_2 emission factors

All CO_2 emission factors can be found on www.co2emissiefactoren.nl. At the time of publication of Handbook 3.0 (10 June 2015) the factors on this website are [13] subdivided into seven lists, namely:

- Vehicle fuel
- Fuel for energy provision
- Electricity
- Provision of heat
- Passenger transport
- Freight transport
- Coolants

5.2.2.1 Calculating CO_2 emissions due to use of gas and electricity

The energy consumption and CO_2 emissions are calculated as follows:
Including energy consumption and emissions as a result of electricity generation (that is, from the extraction of raw materials through to the combustion of these materials in the power station). The CO_2 emission factors stated below take this into consideration.

Calculating CO_2 emissions of gas use
The numbers for the calculation of the emissions due to gas use are mentioned in the tab page “Energy Generation Fuel” in the column Well To Wheel (WTW).

Calculating CO_2 emissions of electricity use
The numbers for the calculation of the emissions due to gas use are mentioned in the tab page “Electricity” in the column Well To Wheel (WTW).

If the company buys grey energy, the value of “grey energy” needs to be taken into account.

When adopting a low CO_2 emission factor for green energy, the basic principle is ‘additionality’. This means that the purchase of green energy actually increases the production of green energy.
If green energy is purchased, the values behind the source in question may be used if the following criteria 1-3 are met:

1. ‘Guarantees of origin’ can be submitted for this energy that are issued by CertiQ (for production or import), registered and charged (upon delivery to a customer) in the scope of the Electricity Act.
2. The specific source or sources of the renewable energy consumed (wind, hydro, solar or biomass) can be demonstrated.
3. As far as the country of origin is concerned, it can be demonstrated that:
   3.1 the energy is generated in the Netherlands, or
   3.2 the energy is imported from a member state of the European Union or another country that has agreed on an EU sustainable energy objective with the European Commission. In all cases under 3.2 it must be demonstrated that in the reports to the European Commission the exporting country deducts (does not count) the emission reduction as a result of the exported electricity in the framework of the EU sustainable energy directive.

[13] The list may be extended in the future, which can lead to new categories

Ladder assessment for green energy by the Ladder CI
For each ladder assessment whereby the company in the period to be assessed reports the consumption of green energy, the ladder CI must ascertain among other things that the company can demonstrate its fulfilment of the above criteria 1 to 3, as follows:

- In the event under criterion 1 guarantees of origin have been entered in the CertiQ system by the company via its own CertiQ account, the company must demonstrate the quantity of green power per source (for criterion 2) per country of origin (for criterion 3) on the basis of entry overviews for the relevant calendar year from the CertiQ system. In the event of import sub 3.2 the company must also be able to submit documentary evidence from the authority in question. This documentary evidence must indicate that the exporting country deducts the quantity involved from the reports in the report to the European Commission.
- In the event of purchase of a green power product from an energy supplier, the company must:
  - demonstrate (for criterion 2) the specific sources (in percentages) of the green power by means of the power label (obligatory under the Electricity Act) provided by the supplier for that product over the relevant calendar year, and
  - demonstrate the quantity of green power by means of a contract with an invoice from the supplier that shows how much of this product was purchased in the relevant calendar year, and
  - submit a declaration from the supplier which states that the percentages declared on the power label correspond with the guarantees of origin entered in the CertiQ for the product (for criterion 1), and that the country of origin fulfils criterion 3. This declaration from the supplier must be provided with an accountant declaration (or equivalent) and may come from a public source of the supplier (such as annual report, website or press release).

Green energy from biomass
In the event of the use of a different, specific CO_2 emission factor for green energy from biomass, the ladder CI ascertains that the company can demonstrate the following.

Electricity from biomass can come from very many different kinds of biomass from Europe or other continents. This means that emission factors from scientific research show a relatively large distribution. The given factor for biomass energy on www.co2emissiefactoren.nl may not be used. For the CO_2 Performance Ladder, a default value is adhered to for the emission factor of biomass equal to that of grey power, unless the supplier of the biomass power has established a different value according to a specific method.

For liquid biomass a CO_2 emission factor is accepted if affiliated with the EU sustainability requirements for biomass for transport. In 2011 the Dutch legislation was published that implements these European guidelines for renewable energy (RED, 2009/28/EG) and fuel quality (FQD, 2009/30/EG). The implementation, supervision and enforcement of this legislation has been assigned to the supervising organization of Bio fuel of the Dutch Emission Authority (NEa).

A CO_2 emissions factor for solid and gaseous biomass is accepted if this is calculated according to the NTA 8080, the Green Gold Label (GGL) or equivalent. This is verified according to the method laid down in this sustainability system. This guarantees the reliability of the calculation.

For biomass energy the applicant must be able to submit a declaration from the supplier alongside the proof mentioned earlier. This declaration should mention: the emission factor of the biomass energy in question mentioning the adopted sustainability system and the name of the supervising body. This declaration may come from a public source of the supplier (such as annual report, website or press release).

Other declarations for electricity

- If the company can submit for (part of) the purchased power a valid SMK certificate, this certificate serves (for that part) as sufficient evidence that the company fulfils the criteria for green energy (also see www.smk.nl).
- The CO_2 emission factors for self-generated green power are the same as those for green power. The supply of green energy surplus to the electricity network also reduces the purchase of grey energy. This is expressed in a lower acquisition mentioned in the invoice.
- With the consumption of other types of sustainable energy such as electricity from tidal power stations, the rule applies that the use of a different (officially recognized) factor is permitted if this results in a more accurate outcome; for other conditions, see the introduction. This rule applies in general but not for non-sustainable types of energy. For more detailed interpretation, the sources on the website www.co2emissiefactoren.nl are normative.

5.2.2.2 Calculating CO_2 emissions of passenger and goods transport

Passenger transport:
This concerns the transport of persons with means of passenger transport in common use. The crews of trips with inspection trains, maintenance machines, freight trains and the like are not included.

Goods transport:
This concerns transport of all goods such as construction materials, construction site equipment, containers with or without contents, construction machinery, etc., as well as rides with mobile construction material. The indicated tonnage on the website states the loading capacity.

For both passenger as well as goods transport, the following applies:

1. When calculating CO_2 emissions the most accurate outcome should be aimed for. The total emission of greenhouse gasses is therefore, if available, calculated by multiplying the used amount of fuel and/or electricity (in units such as litre, kg or kWh) of transport options already used with the factors in tab page “Vehicle fuel” on www.co2emissiefactoren.nl. These calculations are the most exact, because these are real values: the fuel and/or electricity use of vehicles as measured in practice. If this is not the case, then the lists in “Passenger transport” and “Goods transport” on www.co2emissiefactoren.nl provide various extra values.
2. The CO_2 emissions are calculated including energy use and emissions from extracting and refining fuel. The values from the Well to Wheel (WTW) column should then be used. The calculated emissions are expressed in CO_2 equivalents if necessary.
3. For transport by airplane. For a single trip, the distance flown between origin airport and destination airport (final destination) is decisive for the distance class in the table to be used.
4. This always concerns the transport value chain from door to door, that is, consisting of pre-transport, main mode of transport and post-transport.
5. For transport with generally used means of goods transport: average values for load factor and number of productive kilometres.
6. For transport by truck and trips with mobile construction machinery:
    - an average realistic trip pattern (town roads, freeways) and driving behaviour,
    - the entire trip from door to door with the truck.

For more detailed interpretation, the sources on the website www.co2emissiefactoren.nl are normative.

5.2.2.3 Calculating CO_2 emissions of refrigerants

Many coolants and refrigerants are chlorofluorocarbons (CFC, HCFC) that not only affect the ozone layer but are also extremely strong greenhouse gases. That is why in analyses in which these resources play a part, losses of these substances, also from leakage, are included as greenhouse gases.

For the calculation of the emissions due to refrigerants, the numbers are indicated on the website www.co2emissiefactoren.nl in the "Refrigerants" tab page, “Well To Wheel” (WTW) column. Naturally,

CO_2 equivalents are provided in the list. For more detailed interpretation, the sources on the website www.co2emissiefactoren.nl are normative.

5.2.3 Transition period for new CO_2 emission factors and recalculation

Transition period

The new CO_2 emission factors can be used from the time of publication of Handbook 3.0. Use of the new CO_2 emission factors is compulsory as of 1 January 2016. These factors (including basic principles, method of calculation, etc.) apply:

- To all emissions in all past and current periods, unless a particular year is stated.
- To all information and documentation (thus *CO_2 footprints, CO_2 emission inventories, value chain analyses*, reduction objectives, progress reports, communications, etc.):
- The above of course only applies insofar as the company must be able to demonstrate/submit information and documentation in accordance with this Handbook for a ladder assessment.

Recalculation

With the publication of Handbook 3.0, changes have been made in the CO_2 emission factors.
When calculating the CO_2 emissions, with the adapted emission factors, account should be taken of the fact that the reference year may also need to be recalculated.
Conditions for recalculation are:

- A change in emission factor due to a change of fuel type.
- A change in the CO_2 emission factor due to a methodology change in calculating the CO_2 emission factor is always a cause for recalculating the reference year.
- A change in the CO_2 emission factor due to technological progress is not a cause for recalculating the reference year.

The company must clearly document a recalculation of the reference year.
Also see the rules on recalculation in ISO 14064-1, §5.3.2, particularly point c.

For an overview of the changed emission factors, we refer to the table in the List of changes. Using this, a company can see whether a recalculation is necessary.

General requirements and audit checklists CO_2 Performance Ladder

6

6. General requirements and audit checklists CO_2 Performance Ladder

In the CO_2 Performance Ladder, the Capability Maturity Model is converted into five levels, ascending from 1 to 5. For each level, requirements for the CO_2 performance are defined for the *company* and its *projects*. These requirements come from four angles (A-D), each with their own weighting factor. The position of a company on this ladder is determined by the highest level on which the company meets all requirements. An individual angle cannot be separated from the other angles when it comes to the CO_2 Performance Ladder. Each higher level comprises the requirements of the lower levels. The company must remain active with current performance on the underlying levels.

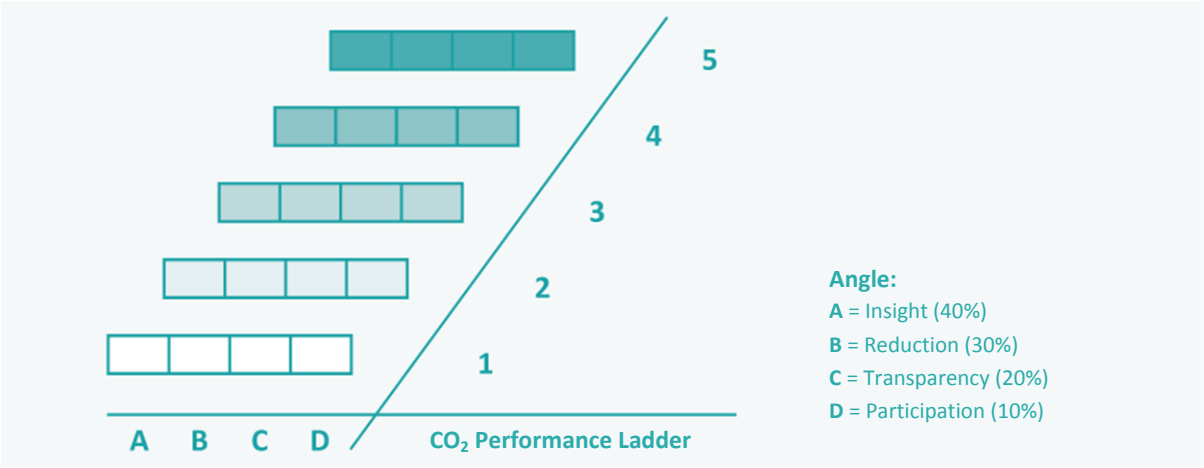

Figure 6.1. CO_2 Performance Ladder: five levels and four angles. The angles each have their own weighting factor

Certification takes place per level of the CO_2 Performance Ladder. The company submits the *portfolio* with onus to the authorised Ladder Certified Institution (*Ladder CI*). Using the requirements of the *audit checklists*, the clarification and his expert judgement, the Ladder CI assess the proof and then assigns a (proportional) score per requirement.

A *company* only meets the requirements of a certain level if[14]

1. the general requirements of the CO_2 Performance Ladder are met (see §6.1), and
2. it meets the minimum requirements for A, B, C and D of the relevant level (20 points), and the requirements of the lower-ranking levels and
3. the sum of the weighted scores of that level is at least 90% (22.5 points) of the maximum score (25 points). This means that the company needs to remain active on all aspects on the underlying levels.

If the Ladder CI has determined the level reached, the corresponding *CO_2 Awareness Certificate* of the level reached is awarded.

6.1 General Requirements

The requirements companies must meet, are divided into general requirements (see §6.1.1 - 6.1.4) and audit checklists (see §6.2). The audit checklists are drawn up as a 'sub ladder' per angle. There are therefore four audit checklists, each with five levels. Each angle and level has its fixed criteria and a score guideline. Each company that wants to (re)certify itself for a specific ladder level, evaluates the

[14] As an aid, the SKAO published a calculation tool on its website (www.skao.nl/documenten)

functioning of the CO_2 Performance Ladder in its company on the basis of the general requirements (see §6.1.1 - 6.1.4) and its CO_2 performances on the basis of the audit checklists (see §6.2).
If a company believes that it has reached a certain level on the basis of this *self-evaluation*[15], the proof will be compiled in a portfolio and presented to a Ladder CI for assessment.

The self-evaluation is carried out annually in preparation of the *ladder assessment* and comprises an evaluation of the general requirements and of the audit checklists. The self-evaluation can be carried out by the person responsible for the CO_2 Performance Ladder in the company.

6.1.1 Requirements of processes for continuous improvement

The ladder system is based on the principles of a *management system* and aims for *continuous improvement*. This means that continuous, repeated processes should be in the company that are geared towards the improvement of the CO_2 performance as well as to the improvement of the management system. This is also described as 'Plan-Do-Check-Act' (PDCA) or 'Deming circle'. In brief, PDCA can be described as follows:

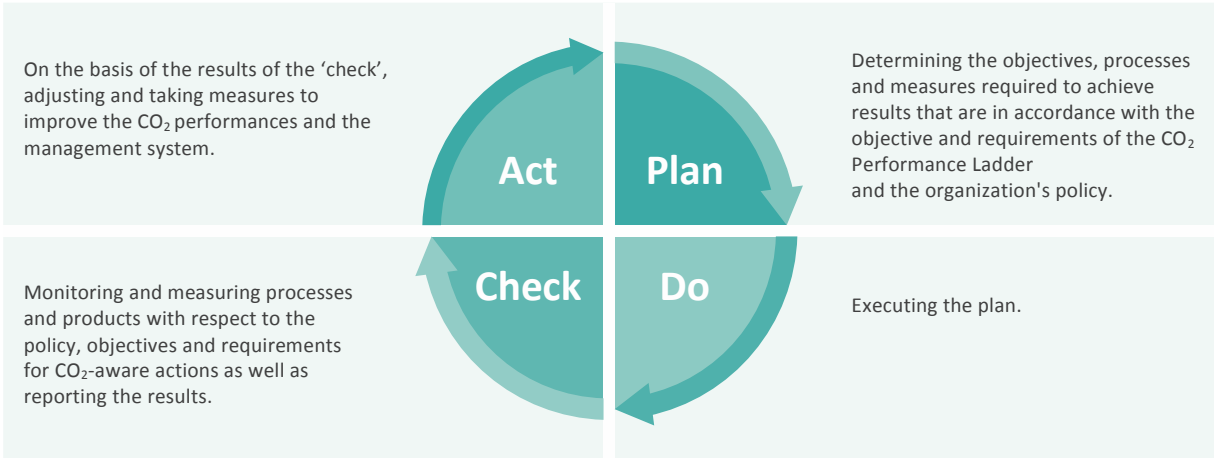

Figure 6.2. Plan-Do-Check-Act cycle

Various parts in this Handbook refer to, or flesh out, the principle of continuous improvement. This is done in individual requirements of the *certification scheme* and can be recognised by the symbol:

A company must meet the requirements of the certification scheme. A company is also obliged to test the functioning of the management system at least one a year via an *internal audit* and *management review* and adjust this where necessary in order to realise continuous improvement.

6.1.1.1 Internal audit[16]

An internal audit assesses whether the management system meets the requirements of the certification scheme and/or whether the organisation works according to arrangements made in the management system (such as objectives, procedures, communication, publication, planned measures, etc.). Apart from the actual assessment, the internal audit also assesses the possibility of improving the system and/or the execution. In a management system the internal audit is a very important source of information for the management review by the management. The management must make the necessary means for the execution of the audit available (for instance time, training, etc.).

[15] As an aid (for, among others, the self-evaluation) the SKAO published a calculation tool on its website (www.skao.nl/documenten). The tool calculates the level reached.
[16] The requirements listed in this paragraph are partly based on ISO 19011 standard 'Guidelines for carrying out management system audits´

In the framework of the CO_2 Performance Ladder the internal audit must be carried out at least once a year regarding the relevant requirements and the corresponding objectives of the certification scheme belonging to the (intended) ladder level that also apply at the company. The company must bring about without unnecessary postponement, that all necessary *corrections* and *corrective measures* are taken to remove possible shortcomings, *deviations* regarding the requirements and the management system and remove their causes within a suitable timespan. To guarantee the execution of the internal audits, it is important to properly lay down the process, planning/execution and responsibilities.
A company can combine and/or integrate the internal audit and management review according to the CO_2 Performance Ladder with for other management system standards.

The results of the internal audit are recorded in an internal audit report. This report includes at least the following:

- the date of the audit;
- the names of auditor(s) and auditee(s);
- the audit's objective;
- the scope;
- the locations visited;
- the audit's findings;
- conclusions with regard to meeting the objectives per requirement and
- the effectiveness of the system in relation to achieving the (reduction) objectives.

With regard to the objectives per requirement, the internal audit should explicitly focus on the following questions:

- Does the company find that due to the activities (on whose basis the company meets the requirements) there is progress in realising the objective in question per requirement in the company?
- What substantiates this?
- Which decisions are requested by the management regarding possible additional or *corrective measures*?

The selection of the internal auditor should ensure that the internal audit is carried out objectively and impartially. The internal auditor should not carry out an audit on his/her own work and should have the relevant knowledge and skills.

6.1.1.2 Management review

Apart from the internal audit is the *management review* is a very important part of a management system. The management of the organisation must at planned times, and for the CO_2 Performance Ladder at least once a year, assess the *implementation* of the CO_2 Performance Ladder as a management system on permanent suitability, implementation, adequacy and effectiveness.
The input for the management review includes at least:

- the status/follow-up of actions and measures of previous internal audits, management reviews and audits of the Ladder CI;
- external/internal changes that are relevant to the CO_2 Performance Ladder management system;
- assessment of the energy policy and communication, energy performances, emissions, measures and initiatives;
- the results of the above-mentioned internal audit, the current report of the internal assessment (requirement 1.B.2), the current *energy assessment* (requirement 2.A.3) and audits by the Ladder CI;
- the *progress* and realisation (effectiveness) of the energy management action plan (requirement 3.B.2);
- the progress of the reduction objectives and the extent to which reduction objectives are met; and (from level 3) a probability analysis of achieving previously internally/externally published reduction objectives.

- proposals for possible new CO_2 reduction measures, initiatives, participations and budget;
- status of corrective, preventive measures;
- recommendations for improvement;

The output for the management review includes at least:
- decisions and measures related to changes in energy or CO_2 performance and energy policy;
- decisions and measures related to changes in reduction objectives, CO_2 reduction measures, initiatives and participations;
- conclusions on the functioning of the CO_2 Performance Ladder; explicitly a statement should be made regarding whether the CO_2 Performance Ladder functions in the company as it is intended to statement on effectiveness), on the basis of the results of the internal audit with regard to objectives per requirement;
- (from level 3) conclusions on the probability of achieving reduction objectives previously published internally or externally.
- decisions and measures concerning *continuous improvement* and the possible need for changes;
- decisions concerning the means that are required to guarantee the functioning of the CO_2 Performance Ladder in the company.

The organisation must file documented information as proof of the management review's result. The company must demonstrably communicate the outcome of the management review to all relevant stakeholders (such as, for instance, a management representative) in the organisation about relevant information from the assessment.

6.1.1.3 Ladder assessment by the ladder CI

For a *ladder assessment* the Ladder CI should ascertain that a *self-evaluation*[17] took place and that the report on this is available.

In addition, the Ladder CI should certain that, over the past year, an internal audit, followed by a management review, took place and that there are reports of this. During a ladder assessment, the Ladder CI should check whether the internal audit was carried out according to the requirements, meets the audit report, the required information is clearly indicated per objective and the results have been reported to the management. In a first *initial ladder assessment* (so if the company is assessed for the first time) it is possible that not all requirements of the internal audit and management review are fully met. The Ladder CI should in this case act according to circumstances.
If the execution of the internal audit and/or management review cannot be indicated and/or does not meet the minimum requirements, this is a serious shortcoming. A ladder assessment cannot be completed before this *deviation* is closed (no certificate can then be assigned). If such a deviation is determined during the *annual ladder assessment*, the company must take *corrective measures* within four weeks, otherwise the certificate will be suspended.

6.1.2 Project requirements

The objectives and requirements of the CO_2 Performance Ladder concern the whole company including all *projects*. The activities in projects are derived from the policy on a business level.
This can be, for instance, generic measures that are applied in all projects. Of course, opportunities can arise in individual projects for extra reduction. At the same time, an efficient approach on a business level and the differences between projects may result in certain measures not being applied in each project.

The objectives and requirements of the CO_2 Performance Ladder also relate to *projects for which CO_2-related award advantage* has been obtained. Here it is not relevant whether the award advantage was or was not decisive when being awarded the assignment. For each of the projects with award

[17] See www.skao.nl for a calculation tool to determine the scores and the level on the CO_2 Performance Ladder.

advantage, the CO_2 Performance Ladder requires that certain aspects of the business approach conversion into project level is actually indicated with documentation. The company decides how the administrative verification is fleshed out. Naturally, the minimum requirements for projects with CO_2-related award advantage should be met, as mentioned in the clarification of the requirements. Prior to any Ladder assessment, the company draws up a demonstrably complete list with all projects for which CO_2-related award advantage has been obtained. From this list, the Ladder CI will make a random check for the Ladder assessment in question (see §7.2).

6.1.3 Compulsory Internet Publication requirements

External communication is required particularly from level 3 (and higher). This is needed for the effective functioning of the ladder in the *sector* and outside it. From level 3, the permanent availability of the published information on the internet is compulsory.

This compulsory internet publication will be done at two locations:

1. The company's website (company website)
2. The website of the *SKAO*[18] (business page)

The company's website:

Levels 3, 4 and 5 require the company to set up one or more pages on its internet website that meet the following conditions:

1. Accessible via the company name (as stated on the certificate) and further via the search term "CO_2 Performance Ladder" or "CO_2 Policy".
2. At least the required information (and documentation) as indicated in the clarification of requirements 3.B.1, 4.B.2, 5.B.1, 3.C.1, 5.C.1, 3.D.1, 4.D.1, 5.D.3 in §6.2 of this Handbook. This information is the same as that which the Ladder CI has assigned or extended the certificate for. This information remains available on the internet at least for the term of validity of the certificate, with a minimum of two years.
3. Provided that the company has guaranteed findability, the distribution of information about the company website, the division of each page, its layout and the documents to be found per page are free to choose.
4. The documents of requirements 4.A.1, 3.D.1, 4.D.1, 5.D.3 of the company can be found on the SKAO website via a clear reference and link.
5. Complete copies of the applicable certificates can be found on the company's website.
6. In case of changes in points 1 - 5 this website will be adapted within four weeks after the information is ready.

The internet publication of the company on the website of SKAO:

1. This website can be found on www.skao.nl
2. At least the required information (and documentation) as indicated in the clarification of requirements 4.A.1, 3.D.1, 4.D.1, 5.D.3 in §6.2 of this Handbook. This information is the same as that which the Ladder CI has assigned or extended the certificate for. This information remains available on the internet at least for the term of validity of the certificate, with a minimum of two years.
3. On the website of SKAO each document needs to be a PDF, mentioning a version number, a signature of the authorising manager and the date of authorisation.
4. In case of an *initial ladder assessment* the company does not yet have an active page on the website of the SKAO. So not everything can be publicly published in case of an initial ladder assessment (on entry level) with regard to requirements 4.A.1, 3.D.1, 4.D.1, 5.D.3. The page is, however, already available and can be shown to the Ladder CI via login environment. After issuing the certificate, the page of the company will become public on the website of the SKAO.

[18] Login codes and instructions are sent up upon registration with the SKAO

The following generally applies:

1. The publication of the documents is linked to the points of the requirement in question from version 2.2. This also applies to Version 3.0.
2. Anything discussed in the ladder assessment that requires publication according to requirements of the CO_2 Performance Ladder, must be published. Not meeting the compulsory internet publication leads to a deduction of six points and therefore not achieving a specific ladder level (see clarifications in §6.2).
3. What is not there, cannot be published and non-publication cannot lead to more point deduction than what the Ladder CI deducted in the assessment.

6.1.4 Requirements of the contribution to the SKAO

The *CO_2 Awareness Certificate* is not valid until the company hands over the required annual contribution to the *SKAO*. The Ladder CI checks, before issuing a new certificate or a positive annual ladder assessment, whether the company has met its payment obligations towards the SKAO. A new certificate **cannot** be issued if the company cannot demonstrate that it has met its payment obligations. In case of payment arrears, the SKAO has the right to remove the company page from the SKAO website. The result is that a positive ladder assessment is not feasible from level 3 because the company does not meet the compulsory internet publication. The SKAO will inform the Ladder CI about this, after which the Ladder CI must take action regarding the company.

6.2 Audit checklists

The *audit checklists* of the CO_2 Performance Ladder comprise:

- per Angle (A-D), a table with requirements that need to be met;
- the objectives per requirement;
- the score guideline;
- an explanation of the requirements;
- the minimum criteria for the ladder assessment;
- the guidelines for the method of the Ladder CI in the ladder assessment.

The explanations of the requirements have the same status as the requirements themselves: they need to be met. The individual requirements and the clarifications must be interpreted in the light of the objective per requirement and the text in the column ‘Aspect/Angle'. The requirements on one level and within one angle are mutually connected. A requirement on an underlying level may be more severe for a company on a higher level. The explanations are non-limitative but indicate that the ladder assessment ‘among other things’ (so: at least) must involve the elements specified; this is necessary to clarify parts of the working method and the criteria to be used. This contributes to a uniform standard during the assessment.

6.2.1 Angle A: Insight

Requirement	S/M/L	Aspect	Requirements	Max. score
1A	All	The company has partial insight into energy consumption.	1.A.1. Identification and analysis of energy flows of the company and the projects for which a CO_2-related award advantage has been obtained, have taken place.	10
			1.A.2. All energy flows of the company and the projects for which a CO_2-related award advantage has been obtained, have been demonstrably recorded.	10
			1.A.3. This list is regularly followed up and kept up to date.	5
		Objective: The company knows which types of energy are used.		
2A	All	The company has partial insight into its energy consumption.	2.A.1. All energy flows of the company and the projects for which a CO_2-related award advantage has been obtained, have been quantitatively recorded.	10
			2.A.2. The list is complete, and is regularly - and demonstrably - followed up and kept up to date.	5
			2.A.3. The company has an up-to-date energy assessment for the company and the projects for which a CO_2-related award advantage has been obtained.	10
		Objective: The company knows per type of energy how much is used, differentiated according to the company's various activities.		
3A	All	The company has converted its own energy consumption into CO_2 emission(s).	3.A.1. The company has a detailed and up-to-date emission inventory for its scope 1 & 2 CO_2 emissions in accordance with ISO 14064-1 for the company and the projects for which a CO_2-related award advantage has been obtained.	20
			3.A.2. The 3.A.1 emissions inventory has been verified by a certifying organization to at least a limited degree of certainty.	5
		Objective: The company has a CO_2 administration, where there is no discussion about the amounts and about the method of calculation. The company has insight into the main basic principles for a reduction approach.		
4A	All*	The company reports its CO_2 footprint in accordance with ISO 14064-1 for scope 1, 2 & 3.	4.A.1. The company has a demonstrable insight into the most material emissions from scope 3, and can present at least two analyses of these scope 3 emissions of GHG-generating activities, or value chains of activities.	15
	All		4.A.2. The company has a quality management plan for the inventory.	5
	All		4.A.3. At least one of the analyses from 4.A.1 (scope 3) has been professionally endorsed or commented on by a recognized professional and independent knowledge institute.	5
		Objective: Apart from scope 1 and 2, the company has determined the relative extent of scope 3 emissions. The management is aware of the influence of the company in the various value chains, up- and downstream, in which it performs. On the basis of this knowledge, the company identifies likely energy and CO_2 reduction measures in the value chains, and potential value chain partners for its approach.		
5A	All*	The company has portfolio-wide insight into scope 3.	5.A.1. The company has insight into the material scope 3 emissions of the company and the most relevant parties in the value chain that are involved in this.	10
	All*		5.A.2-1. The company has a portfolio-wide, substantiated analysis of its options to influence material scope 3 emissions.	5
	M/L		5.A.2-2. The company has insight into possible strategies to reduce these material emissions.	5
	M/L		5.A.3. The company must know the specific emission data of direct (and potential) value chain partners that are relevant for the execution of the scope 3 strategy.	5
		Objective: the company broadens and deepens its insight into scope 3 and how the company can reduce emissions in scope 3.		

Clarification of Angle A, Insight

Insight makes a company aware of its own CO_2 performance, the risks and opportunities that its own CO_2 emissions cause and provides the company with information that it can use to formulate effective objectives and measures to reduce its CO_2 emissions and what communication and cooperation should

*Exception for small companies (see the clarification of the requirement in question)

be focusing on. Angle A stimulates companies to know their own CO_2 emission and that in the *value chain*. The company realises *continuous improvement* in the depth, scope and efficiency of insight and the quality of the emission inventory.

Requirement 1.A	The company has partial insight into energy consumption.
All	Objective: The company knows which types of energy are used.

1.A.1 Identification and analysis of energy flows of the company and the projects for which a CO_2-related award advantage has been obtained, have taken place.

Score guideline
Fully (10), No (0)
One energy flow gives 5 points if it is plausible on the basis of generally known insights that it concerns the most material energy flow in relation to the projects.

Clarification
This concerns all energy flows belonging to all *projects* in the company's organisational boundaries. The energy flows must be identified for started *projects for which CO_2-related award advantage* has been obtained. If the company performs several types of projects for which a CO_2-related award advantage has been obtained or a started project is expected to differ from the existing list with energy flows, the energy flows must be differentiated if necessary and adjusted to the type of project.

Companies that carry out a combination of a project together for which CO_2-related award advantage have

- each separately identified all energy flows of the project as a whole, including project energy flows of other companies in the combination
- or have jointly drawn up one list of the energy flows of the whole project.

Ladder assessment by the ladder CI
In the ladder assessment, a check is made to see whether the company has acquired new projects for which CO_2-related award advantage was obtained since the previous ladder assessment, and in that case, tests by means of a random selection (see §7.2) whether the list with energy flows is satisfactory for these projects.

1.A.2 All energy flows of the company and the projects for which a CO_2-related award advantage has been obtained, have been demonstrably recorded

Score guideline
Yes, clearly documented (10), one energy flow (5), No (0)

Explanation
All energy flows of requirement 1.A.1, including what is stated here for projects, have been recorded. Identification per energy flow results in documented extra insight, as follows:

- A list or diagram showing the course of energy flows between business units concerned, whereby the connection of each energy flow with the projects is indicated.
- A qualitative indication of the size of the energy flow.

Ladder assessment by the ladder CI
The annual ladder assessment assesses, among other things, whether, since the previous ladder assessment

- the company has acquired new projects for which CO_2-related award advantage was obtained, and in that case, whether the list or the diagram is satisfactory for those projects, and
- whether the *project portfolio* of the company has changed, and in that case, whether the ranking is still satisfactory.

Data on the basis of which a qualitative estimate is made do not have to be presented to the Ladder CI.

1.A.3 This list is regularly followed up and kept up to date.

Score guideline
Yes, annually (5), No (0)

Explanation
This concerns the follow-up of and *keeping up to date* the list or diagram of requirement 1.A.2, with the actual energy flows of the company, and of the following *projects that have been acquired with CO_2-related award* advantage:
- current projects,
- the projects completed since the previous ladder assessment, and
- projects started more than six months previously (with respect to the annual ladder assessment).

Ladder assessment by the ladder CI
During a ladder assessment, the Ladder CI determines, among others, that the list *is followed up regularly* and is kept up to date.

Requirement 2.A	The company has insight into its energy consumption
All	Objective: The company knows per type of energy how much is used, differentiated according to the company's various activities.

2.A.1 All energy flows of the company and the projects for which a CO_2-related award advantage has been obtained, have been quantitatively recorded.

Score guideline
Yes, clearly documented (10), one energy flow (5), No (0)
Only if there is a complete list at 1.A.1 can the full 10 points at 2.A.1 be awarded; a complete list can only be demonstrated on level 2 if requirement 1.A.3 has also been fulfilled and its outcomes processed correctly. If there is no complete list at 1.A.1, the ladder CI must decide at 2.A.1 on the number of points between 5 and 10 in proportion to the percentage of the other energy flows that are included (the size of the other energy flows, plausible on the basis of generally known insight; otherwise the number of energy flows).

Explanation
All energy flows of 1.A must be quantified using consumption data or estimates. The company must, for each of the quantified energy flows connected with the projects,
- specify it in more detail in the list for the project portfolio as a whole, and
- specify it in more detail within the project portfolio for each project separately for which CO_2-related award advantage was obtained (not required for each of the other projects).

For the attribution of amounts to projects (mutatis mutandis), see the explanation of 3.A.1.

Very small energy flows, based on materiality, do not have to be included or may be done on the basis of estimates.

Ladder assessment by the ladder CI
For the ladder assessment, the ladder CI ascertains, among other things,

- whether the list of energy flows is complete;
- the estimates made are plausible,
- an effort has been made to replace estimates by consumption data of the company, and to supplement incomplete data, so that insight gradually improves, and
- (by means of a random test) or for the attrition of energy quantities to projects one of the prescribed methods has been followed correctly.

2.A.2 The list is complete, and is regularly - and demonstrably - followed up and kept up to date

Score guideline
Yes, at least annually (5), No (0)
Only if there is a complete list at 2.A.1 can the full 5 points at 2.A.2 be awarded; a complete list can only be demonstrated if requirement 1.A.3 has also been fulfilled and its outcomes processed correctly. If there is no complete list at 2.A.1, the ladder CI must award a lower number of points at 2.A.2 in proportion to the score of 2.A.1.

Explanation
This concerns the *regular* follow-up of and *keeping* up to date the list under 2.A.1, with the actual energy flows of the company, and of the following projects that have been acquired with CO_2-related award advantage:

- current projects,
- the projects completed since the previous ladder assessment, and
- projects started more than six months previously (with respect to the annual ladder assessment).

Ladder assessment by the ladder CI
For the ladder assessment, the ladder CI ascertains via a random check, among other things:

- The completeness of the consumption figures, on the basis of invoices.
- The plausibility of the estimates made.
- The presence of the required documentation substantiating the quantifications.

It should also be possible to submit data on the basis of which quantifications (also estimates) have taken place. Calculation methods must be described.

2.A.3 The company has an up-to-date energy audit report for the company and the projects for which a CO_2-related award advantage has been obtained.

Score guideline
Yes (10), Yes, but only partially (e.g. a particular process or unit) (5), No (0)

Explanation
This concerns the *energy assessment* in accordance with ISO 50001 §4.4.3. The energy assessment consists of:

a) an analysis of main features of the current and past use of energy and
b) a more detailed analysis for identifying the facilities, appliances or processes with a significant influence on energy use and
c) identification, recording of priorities and documenting of opportunities for improvement of energy efficiency.

The significance of an energy user can be determined on the basis of the scope of the user and/or potential to improve CO_2 performances. For more information and examples for energy assessment, also see (informative) Annex A.4.3 of ISO 50001.

The analysis is so in-depth that an organisation has recorded at least 80% of its energy. Insight into use can be obtained by measuring and/or calculating use on the basis of specifications. The methodology and the criteria used when carrying out an energy assessment must be documented.
Identified points for improvement must be tackled and followed up.

The energy assessment primarily concerns current use. If a reference is used based on data from the past, the energy assessment should also concern current developments. For *projects for which CO_2-related award advantage has been obtained*, it must be examined whether the actual most material emissions and those to be expected deviate from those of the company as a whole.

The management can let its own employees carry out the energy assessment. If this assessment is executed by an external party, a separate contract is required. In that case, this work must be designated as consultancy/advisory services. Consultancy and *verification*/certification must be separated and separate offices are compulsory. The company must also be able to demonstrate that the agency or the employees have the correct competencies and experience in drawing up an energy assessment.

Copyright SCCM: The text above about energy assessments is based on and copied from the Energy Management Systems Certification scheme according to ISO 50001 (10-12-2013) of SCCM.

Ladder assessment by the ladder CI
In the ladder assessment the Ladder CI tests, among other things, completeness on the basis of the mentioned part of ISO 50001. The ladder CI uses a limited random test and the internal control of 1.B.2 to form an opinion of the transparency and validity of the structure/substantiation of the assessment. The ladder CI does not supply a separate statement concerning the submitted assessment.

For the annual ladder assessment, the ladder CI ascertains, among other things:
- whether the energy assessment *is up to date*. In the event the company has taken up other energy characteristics during the period to be assessed for the ladder assessment (projects of a different nature, new business units within the boundary), the energy assessment must be adapted
- whether identified points for improvement from the previous year and the updated internal control of requirement 1.B.2 have been tackled and followed up.

Requirement 3.A	The company has converted its own energy consumption into CO_2 emission(s)
All	Objective: The company has a CO_2 administration, where there is no discussion about the amounts and about the method of calculation. The company has insight into the main basic principles for a reduction approach.

3.A.1 The company has a detailed and up-to-date emission inventory for its scope 1 & 2 CO_2 emissions in accordance with ISO 14064-1 for the company and the projects for which a CO_2-related award advantage has been obtained.

Score guideline
Yes (20), No (0)
Not meeting ISO 14064-1 §7.3.1 points of special attention 'd' (documentation of organisational limits), 'm' (clarification of changes in previously used quantification method) or 'k' (explanation of change or recalculation of the basic year of other historic dates) is a serious shortcoming and leads to deduction of 10 points per point of special interest that is not met.

Explanation
The company must, for each of the *emissions* connected with the projects,

- specify it in more detail in the *emission inventory* for the *project portfolio* as a whole, and
- in any case, specify it in more detail within the project portfolio for each project separately for which CO_2-related award advantage was obtained (not required for each of the other projects).

To this end, it suffices to split the company's emissions and partly attribute them to the project portfolio (and in this, each individual project for which CO_2-related award advantage has been obtained) and partly to 'overhead' (such as heating and electricity for head and regional offices, central warehouses, etc.).

Business air travel is not attributed to the project portfolio, transport between central locations and projects are. Splits and divisions should be described per emission allocation option as described in Chapter 8 of the GHG Protocol Scope 3 Standard (physical, economic allocation, industry or business-specific allocation).Methods may be combined insofar as this Standard allows this. The method used is stated in the emissions inventory and its choice explained.

It is not explicitly necessary that a company submits a CO_2 emission inventory separately to the company inventory for a project for which CO_2-related award advantage has been obtained. The inventory of the company as a whole does make visible for each individual project for which CO_2-related award advantage has been obtained, the contribution of that project to the emissions of the company and the most important CO_2 emission sources.

Ladder assessment by the ladder CI

The Ladder CI checks the completeness on the basis of ISO 14064-1 §7.3.1. For this, points of special attention a-q must be met. Regarding point 'e', only the reporting of CO_2 emissions is compulsory, quantified in tonnes of CO_2. Other direct GHG emissions can be added at the discretion of the company, as long as

- they are stated separately and quantified for each GHG in tonnes of CO_2 equivalents,
- and if this reporting takes place in accordance with the other requirements a - q

The ladder CI uses a limited random test to form an opinion of the transparency and validity of the structure/substantiation of the emission inventory. The ladder CI does not supply a separate statement (in accordance with ISO 14064-3) concerning the submitted emission inventory.

For the ladder assessment, the ladder CI ascertains, among other things:

- An emission inventory is present that *is up to* date; this is the case up to a maximum of 15 calendar months after the end of the year for which the emissions are reported.
- The emission inventory fulfils said points from § 7.3.1 of the ISO 14064-1.
- The emission inventory is complete and comprises all material emissions of the energy flows (of requirement 2.A).
- The up-to-date emission inventory is based on the actual energy consumption figures of that year.
- Demonstrable improvement of the data has taken place with respect to the previous emissions inventory.
- Points for improvement from the previous ladder assessment, the *energy assessment*, the internal control of requirement 1.B.2 and, if present, the verification report of requirement 3.A.2 have been included and carried out.

The assessment further concentrates mainly on the substantiation of the differences in CO_2 emission factors, methods and reported emissions with respect to the previous emission inventory.
The ladder assessment does not change if (as a result of the simple fact that) requirement 3.A.2 is also fulfilled.

3.A.2 The 3.A.1 emission inventory has been verified by a certifying organization to at least a limited degree of certainty.

Score guideline
Yes, annually (5), No (0)
Only if all criteria as mentioned below have been met, the requirement has been fully met and the full 5 points have been attributed. If one of more of these criteria has not been met, the requirement has not been met, then 0 points.

Explanation
The emission inventory drawn up in accordance with ISO 14064-1 §7.3.1 a-q is verified according to ISO 14064-3 by an authorised verifier (see §7.3 of this Handbook). The emission inventory must cover all business units and activities that come under the boundary as stated on the *CO_2 Awareness Certificate*.

After completing a *verification* of the emission inventory in accordance with ISO 14064-3, the verifier must issue a verification declaration. This declaration must at least fulfil the requirements as specified in ISO 14064-3 §4.9 under 'Validation and verification statement'.

Ladder assessment by the ladder CI
For the ladder assessment of requirement 3.A.2, the ladder CI ascertains that, among other things:
- whether a verification declaration in accordance with ISO 14064-3 with a limited degree of certainty about the emission inventory is present, and
- whether this declaration offers the required certainty that the CO_2 emission inventory covers all business units and activities that come under the boundary as stated on the CO_2 Awareness Certificate, and
- whether it is *up to date* and
- whether it was issued by an authorized agency and an authorized auditor (see §7.3), and
- whether the last two fulfil the requirements of independence.

The ladder assessment of the verification declaration helps in the formation of a more precise opinion of several aspects of the contents of the emissions inventory (and thus not the inventory as a whole).

A verification declaration that has been accepted by the ladder CI is satisfactory during the period of validity of the certificate (so for a maximum of 3 years) for the following annual ladder assessments by the same ladder CI, if it is proved for every annual ladder assessment that
- the list of energy flows is complete, *followed up regularly* and kept up to date, and that
- the emission inventory of requirement 3.A.1 is up to date, and that
- the completeness and degree of elaboration of the emission inventory have not decreased, and
- the boundary of the company that is covered by the certificate has not changed.

In all other cases, the verification for the annual ladder assessment must be performed again and the provisions of §7.3 (maximum validity of the verification declaration of 15 months) apply.

For a subsequent *reassessment* a new verification is always necessary.

Requirement 4.A	The company reports its CO_2 footprint in accordance ISO 14064-1 for scope 1, 2 & 3
S*/M/L	Objective: Apart from scope 1 and 2, the company has determined the relative extent of scope 3 emissions. The management is aware of the influence of the company in the various value chains, up- and downstream, in which it performs. On the basis of this knowledge, the company identifies likely energy and CO_2 reduction measures in the value chains, and potential value chain partners for its approach.

**small* companies must for requirement 4.A.1 only make one value chain analysis for one of the two most material emissions of the ranking

4.A.1 The company has a demonstrable insight into the most material emissions from scope 3, and can present at least two* analyses of these scope 3 emissions of GHG-generating activities, or value chains of activities.

Score guideline

Yes, and both *value chain* analyses meet the requirements (15),
Yes, and one *value chain* analyses but high above the requirements (10),
Yes, and two *value chain* analyses of which one provides minor additional insight (10),
Yes, and two *value chain* analyses both provide minor additional insight (5),
No (0)

*For small companies the following applies: Yes, and the value chain analysis meets the requirements (15), Yes, and the value chain analysis provides minor additional insight (5), No (0)

Explanation

Estimation ranking of most material emissions

The company must be able to submit a report that shows that it has identified and listed its most material *scope 3* emissions quantitatively. The term *material* is different than in scope 1 and 2 emissions[20] in the context of scope 3 in the CO_2 Performance Ladder. This concerns *relevant emissions*, for which criteria have been indicated in the GHG Protocol Scope 3 Standard. These criteria concerns the scope of the emissions, influence of the company on the emissions, risks for the company, emissions of critical importance for stakeholders, outsourced emissions, emissions identified by the sector as significant/relevant and others.

The company has identified these relevant emissions in the report and has determined the relative scope qualitatively with the method described below. The aim is, on the basis of indications for the relative scope, to arrive at a ranking of the most material scope 3 emission sources that together make up the largest[21] contribution to the total scope 3 emissions of a company and are simultaneously influenced by the company.

The method below to determine the relative scope qualitatively, is a compulsory aspect of the report as indicated above. The company fills in a table with the following columns (see Table 6.1).

Column 1: *Product Market Combinations* (PMCs) sectors and activities
Column 1 mentions the sectors relevant to the company (markets/themes) and business activities in these sectors. These are based on the scope of current business activities and a prognosis of the company's activities in the next few years. This prognosis is consistent with the company's prognoses used elsewhere with respect to the expected turnover per sector in the future. It is important that a company has its own freedom to choose a division. The extent of detail can be chosen freely. A

[20] For scope 1 and 2 the influence of the company is usually 100%. Due to this, the scope of the emission usually determines the relevance or materiality. The materiality limit is then close to 5%. Also see 'The Concept of Materiality' in the GHG Protocol and the Glossary.
[21] For the ladder assessment, the Ladder CI adopts the rule of thumb that the most material emissions that together contribute most to the total scope 3 emissions, should be able to supply 70-80% of these total emissions. The company, however, does not quantify the scope, so the Ladder CI cannot explicitly determine this; the Ladder CI assesses this himself, on the basis of his experience van and of the rule of thumb.

company can choose a rough division for, for instance, Infrastructure and Utility construction, or for more detail such as roads, dams and bridges.

Table 6.1. Method for qualitatively determining the relative scope

PMCs sectors and activities	Description of: activity where CO_2 is emitted	Relative importance of CO_2 burden of the sector and influence of the activities		Potential influence of the company on CO_2 emission	Ranking
1	2	3 Sector	4 Activities	5	6
		□ large □ medium size □ small □ negligible	□ large □ medium size □ small □ negligible	□ large □ medium size □ small □ negligible	

Column 2: Description of activity where CO_2 is released (emission sources)
This column lists the CO_2 emitting activities that are influenced by the company: upstream, through the purchase of services (among others, subcontractors), products and material and downstream, through projects, supplied products and services of the company. It is not necessary to know the scope of the emissions per activity.

For determining scope 3 emission sources it is preferable to choose the division below in categories for scope 3 emissions. More information about this category division can be found in Chapter 5 'Identifying Scope 3 emissions' of the GHG Protocol Scope 3 Standard.

Table 6.2. Category division *upstream* and *downstream* scope 3 emissions in accordance with GHG Protocol Scope 3 Standard

Upstream:	**Downstream:**
1. Purchased goods and services 2. Capital goods 3. Fuel and energy-related activities (not included in *scope 1* or scope 2) 4. Upstream transport and distribution 5. Waste generated in operations 6. ~~Business travel~~ [22] 7. Employee commuting 8. Upstream leased assets	9. Downstream transportation and distribution 10. Processing of sold products 11. Use of sold products 12. End-of-life treatment of sold products 13. Downstream leased assets 14. Franchises 15. Investments

These activities are divided or combined into units (emission sources) that are each individually suitable as a subject for a value chain analyses.

Column 3: Relative importance of CO_2 burden of the *sector*
This column includes CO_2 emission related to the sectors mentioned in column 1. The company substantiates the qualitative estimate in the report, among other ways by mentioning sources and substantiating why these apply. Naturally, some parts can also be based on your own (rough) calculations and outcome of previous projects.

Column 4: Relative influence of the activities
The company gives an estimate of the effect of adaptations or improvements of the activity on the CO_2 emission of the emission sources in column 2. The company makes this plausible on the basis of results of previous projects, studies etc. (also those of other leading players) and own estimates.

Column 5: Potential influence of the company on the CO_2 reduction of the sectors and activities in question.

[22] SKAO includes Business Travel under scope 2

Here the company needs to look in its own order portfolio at the expected scope of

a) the activities (column 2)
b) in a certain sector (column 1).

Ad a: An indication is the share of the company in a specific activity on sector level. The biggest players often also have the most influence.

Column 6: Ranking
The company determines the ranking of the most material scope 3 emission sources that together make up the largest contribution to the total scope 3 emissions of a company and are simultaneously influenced by the company.

This ranking comprises upstream and downstream emissions, unless the company indicates on the basis of the above-mentioned method that the company has insufficient options to reduce one of both (upstream or downstream), due to its small size and/or its influencing opportunities.

Drawing up value chain analyses
The company selects the subjects from this ranking for two value chain analyses* and draws them up. When drawing up the value chain analyses the scope 3 emissions do require quantification. The following more detailed conditions and preconditions apply to the value chain analyses:

1. The value chain analyses must relate to the project portfolio.
2. The company must perform or organize the performance of its own analyses. Free riding with the execution of a paid commissioned project of a client is not allowed.
3. A value chain analysis 1 should be made for one of the two most material emissions and another value chain analysis for one of the six most material emissions of the ranking.
   **small* companies only need to make one value chain analysis for one of the two most material emissions in the ranking.
4. A Corporate Accounting and Reporting Standard (Chapter 4 Setting Operational Boundaries) provides the recognisable structure of each value chain analysis:
   a. Describe the value chain in question
   b. Determine which scope 3 categories are relevant
   c. Identify the partners in the value chain
   d. Quantify the scope 3 emissions
5. The result of the analysis should be a supplementation of the existing (published) knowledge and insights and should contribute to the progressing social insight.

The GHG Protocol Scope 3 Standard indicates how the various aspects should be dealt with in value chain analyses and progress reports (see requirement 4.B.2).

Example: use of the right data
It is not necessary for a value chain analysis to request extensive data immediately from all kinds of suppliers. Usually there is clearly added value in requesting some crucial data selectively from one or a few suppliers. This is often sufficient for a good first version of a value chain analysis.
The first version of the value chain analysis will have to clearly indicate the quality of the data used. A distinction is made between primary data = from the actual suppliers (up) and users (down), and secondary data = general figures and the company's own estimates. Whenever crucial primary data is demonstrably difficult to obtain, a first version of a value chain analysis may be based, subject to conditions, on secondary data to a large extent. Own lack of time is not a valid reason, but lack of cooperation of partners in the *value chain* despite demonstrable efforts is.
For all relevant secondary data, the value chain analysis must deal with appropriate follow-up activities for the acquisition of primary data later.

The GHG Protocol Scope 3 Standard provides guidelines for accurate data about upstream and downstream activities. For this, an approach in four stages is presented for data collection (see Chapter 7 of the GHG Protocol Scope 3 Standard). On the basis of the first rough calculations, the most material emissions become clear; the data about them are then improved by running through the process again, etc.

The progress reports (requirement 4.B.2) give an account of the progress.

Ladder assessment by the ladder CI
For the initial ladder assessment, the ladder CI ascertains whether, among other things:

- whether the company can present a report with ranking;
- whether this ranking includes all details according to the compulsory method;
- whether this ranking is determined on the basis of this method;
- whether the company can present two* value chain analyses that meet the criteria.

The ladder assessment's content for this requirement is unrelated to whether or not requirement 4.A.3 is met.

For the annual ladder assessment, the ladder CI ascertains, among other things,

- whether the report with ranking still suffices and *is* updated;
- whether the progress reports of the value chain analyses of requirement 4.B.2 indicates sufficient progress on the corresponding reduction objectives (see requirement 4.B.2).

As soon as this has not been the case (any longer) for six months for a particular value chain analysis and no demonstrable improvement is expected, the company must be able to submit a new analysis of a different value chain of emissions. It is subject to the same selection criteria from the ranking.[23]

Compulsory Internet Publication
The company will publish a report of the most material emissions and the two value chain analyses in three separate documents* on the SKAO website at least three times a year. The company does this after an initial ladder assessment and after a reassessment.
Not, not always or untimely publication leads to a deduction of six points.

*For *small* companies: one value chain analysis and two separate documents. If insufficient progress can be seen in a value chain analysis (see the annual ladder assessment above) when a new value chain analysis has started up, this should be replaced or added.

4.A.2 The company has a quality management plan for the inventory.

Score guideline
Yes (5), No (0)

Clarification
A quality management plan is used to ensure that the emissions are reported as accurately as possible and that *continuous improvement* is aimed for as well as systematically aiming for an improvement of the data for drawing up and developing the emission inventory. The GHG Protocol Scope 3 Standard (App C, checklist C1) includes a clear checklist that can provide footing about the elements that need to be included in this plan and can also be used for scope 1 and 2 emissions.

GHG Protocol Scope 3 Standard (App C)
1. Establish a GHG accounting quality person/ team.
2. Develop data management plan.
3. Perform generic data quality checks based on data management plan
4. Perform specific data quality checks
5. Review final inventory and report.
6. Establish formal feedback loops to improve data collection, handling and documentation processes.
7. Establish reporting, documentation and archiving procedures

[23] If the company is uncertain, it is obvious that the company will consult the ladder CI at an early stage; it is advisable for the ladder CI to make an interim judgement in order to avoid surprises during the annual ladder assessment.

4.A.3 At least one of the analyses from 4.A.1 (scope 3) has been professionally endorsed or commented on by a recognized professional and independent knowledge institute.

Score guideline
Yes, institute suffices and support and/or comment is valuable (5)
No, institute suffices but support and/or comment is of no value (0)
No, institute does not suffice (0)

Clarification
The input of a renowned *knowledge institute* substantiates the value of the analysis. The knowledge institute can contribute or issue its recommendations in a professional and also impartial manner.

As usual, the company itself is responsible for the choice of institute and the acceptance of the input provided by the institute. Knowledge institutes can be engaged in two ways:

a) The institute is asked for professional support, whereby the institute is also jointly responsible for the results. This should be clear from the documentation.
b) The institute can also be asked for professional written commentary whereby a declaration as such is not necessary. Professional commentary is competent (valid and reliable), impartial, transparent, from coarse to fine, advisory and on a “limited assurance level”, in Dutch or English.

Ladder assessment by the ladder CI
For the ladder assessment under “a” (see above), the ladder CI ascertains that, among other things,

- through marginal testing whether the institute is known as competent and independent in these matters
- whether this institute is partially responsible for the analysis.

For “b” (see above), besides the marginal testing of the institute, the commentary itself (the input, added value) must be assessed by the Ladder CI. For the initial and the annual ladder assessments of requirement 'b', the ladder CI ascertains with regard to the comment, among other things:

- whether a commentary of the value chain analysis is present as proof and
- whether this is *up to date*, and
- whether this meets the criteria under ‘b’ for professional commentary, and
- whether it was issued by a recognized professional and independent institute, and
- whether this institute fulfils the requirements of independence (see ISO 17021 §4.2).

For the initial and annual ladder assessment of ‘b’ the Ladder CI determines the added value of the provided insight on a scale from ‘no value’ (for instance, in case it concerns already existing general knowledge) to ‘valuable’ in case of new, additional and useful insight.

The following applies for ‘a’ and ‘b’: Through the ladder assessment of the support or of the commentary of the institute, a more detailed opinion is formed of several aspects of the contents of the value chain analysis (and therefore not of the value chain analysis as a whole).

Requirement 5.A	The company has portfolio-wide insight into scope 3
S*/M/L	Objective: the company broadens and deepens its insight into scope 3 and how the company can reduce emissions in scope 3.

*For *small* companies only requirements 5.A.1 and 5.A.2-1 apply (only portfolio-wide analysis possibilities to influence material scope 3 emissions. There is exemption of requirement 5.A.2-2 and requirement 5.A.3)

5.A.1. The company has insight into the material scope 3 emissions of the company van and the most relevant parties in the value chain that are involved in this.

Score guideline
Yes (10), No (0)
* For small companies the following score guideline applies: Yes (15), No (0)

Clarification
The company can submit an updated quantitative estimate of the material *scope 3* emissions that builds on and is in keeping with the ranking of the most material emissions for requirement 4.A.1. This quantitative estimate can be both *upstream* and *downstream*, depending on the outcome of the analysis with 4.A.1.

The company knows with which *parties in the value chain* material emissions arise. The quantitative estimate of most material emissions can initially be estimated roughly, on the basis of estimates and index numbers. However, the estimate partially becomes increasingly accurate over time due to the use of specific emission data of products and services that can be requested as part of the chosen *strategy* (see requirement 5.B.1) from the *value chain partners* (see requirement 5.A.3), so the effect of measures in the value chain (see requirement 5.B.2) can also become visible. Basic principle when drawing up these estimates is the life cycle of products and services. Only if specific emission data about products are not available (see requirement 5.A.3) or cannot in fairness be drawn up, or (in case of the provision of services) are probably less relevant , CO_2 emission inventories of supplying or purchasing companies (scope 1 & 2) may also be used.

For the ladder assessment, the Ladder CI adopts the rule of thumb that the most material emissions that together contribute most to the total scope 3 emissions, should be able to supply 70-80% of these total emissions.

The insight acquired here lists the reduction possibilities in scope 3 (such as for requirement 5.B) and can also serve when selecting a *development project* (requirement 4.D) or a *sector-wide CO_2 emission reduction programme* (requirement 5.D) or setting this up, for instance if it concerns determining potential *value chain partners*.

Ladder assessment by the ladder CI
For the initial ladder assessment, the ladder CI ascertains whether, among other things:
- the quantitative estimate is made on the basis of the qualitatively determined ranking of requirement 4.A.1;
- whether the quantitative estimate comprises all material scope 3 emissions (upstream and downstream);
- the estimate is transparent and fully substantiated, among other things, with regard to the origin of use and emission data;
- all relevant parties involved in the material scope 3 emissions are known

For the annual ladder assessment, the ladder CI ascertains, among other things,
- whether the report with ranking of 4.A.1 still suffices and is *updated*;
- the quantitative estimate of material scope 3 emissions is updated;
- the quantitative estimate that comes under the scope 3 strategy has further improved with specific CO_2 emission data of products and/or services, and
- the estimate has been made more value chain-specific (aspect of requirement 5.B.2).

5.A.2 1. The company has a portfolio-wide, substantiated analysis of its options to influence material scope 3 emissions
2. The company has insight into possible strategies to reduce these material emissions.

Score guideline
5.A.2-1: Yes (5), No (0)*
5.A.2-2: Yes (5), No (0)
*For *small* companies the following score guideline applies: 5.A.2-1: Yes (10), No (0)

Clarification 5.A.2-1
Portfolio-wide means that this analysis should concern the whole purchasing volume (upstream) and/or the volume of the whole project portfolio (downstream, for customers and users).

Maintenance means that the analysis must portray the possibilities for saving energy and CO_2 reduction, which the company can realise by recording its own autonomous actions in scope 3. This therefore concerns an analysis of possible actions the company can take autonomously. So this does not concern actions geared towards convincing (influencing) other *value chain partners*, research, knowledge-sharing, joint efforts for innovation, and the like. Here the actions are distinguished from development projects (see requirement 4.D.1) and value chain initiatives (see requirement 4.B.1).

Example: Actions the company can carry out autonomously
- Purchase of alternatives for concrete products or purchase of products from other suppliers;
- making binding arrangements about CO_2 reductions with existing suppliers or with customers;
- setting up concrete targets, conditions or achievement-related (incentives) for deliveries or suppliers;
- improving specific own products, services, processes or procedures or marketing new products or services.

Ladder assessment by the ladder CI
For the initial ladder assessment, the ladder CI ascertains whether, among other things:
- the analysis took place;
- the analysis was carried out portfolio-wide;
- the analysis comprises all material emissions and relevant parties.

For the annual ladder assessment, the ladder CI ascertains, among other things,
- whether on the basis of improved insight into the quantified material scope 3 emissions (see requirement 5.A.1) additional and/or new actions have been considered.

*****A small company can limit itself to autonomous actions related to the value chain for which a value chain analysis (see requirement 4.A.1) was carried out. If the company is active is several value chains, the company must of course on the basis of common sense also consider actions in other value chains it is active in and for which no value chain analysis took place.

Clarification 5.A.2-2
This concerns *strategies* to realise reduction objectives regarding the realisation of the material scope 3 emissions. These strategies arise from the above-mentioned analysis of autonomous actions and each consist of a coherent and distinguished package of these actions.

The strategies are each focused on a certain, important part of the portfolio (upstream and/or downstream), and therefore the strategies have a programming and generic nature. For instance, to globally characterise as ‘purchasing policy’, or a ‘product improvement programme’. The strategies do not need to be developed for requirement 5.A.2-2.
A reduction strategy may be broadened through coherence with subject and *value chain partners* of the initiatives (requirements 4.B, 4.D, 5.D). With this, the strategy for scope 3 can serve several purposes. However, the criteria of these other requirements continue to apply unimpaired.

Ladder assessment by the ladder CI
For the initial ladder assessment, the ladder CI ascertains whether, among other things:
- whether several strategies have been considered;
- whether this analysis comprises all material emissions and relevant parties.

For the annual ladder assessment, the ladder CI ascertains, among other things,
- whether on the basis of improved insight into the quantified material scope 3 emissions (see requirement 5.A.1) and new formulated actions (see requirement 5.A.2-1), additional and new strategies have been considered.

5.A.3 The company must know the specific emission data of direct (and potential) value chain partners that are relevant for the execution of the scope 3 strategy.

Score guideline
Yes (5), No (0)

Clarification
The following is meant with specific emission data:
1. CO_2 emission data (and possibly also energy data) about the products and/or services that value chain partners *supply to the company* upstream direct, or via other value chain partners, or
2. CO_2 emission data (and possibly also energy data) about the projects, provided by value chain partners downstream.

Downstream can also concern products or services supplied by the company and where the company requests data about use from value chain partners to make an estimate of downstream emissions.

The extent of detail, the number of *direct value chain partners* of which specific emission data are requested and the frequency of actualisation should be in keeping with the strategy formulated in requirement 5.B.1 and objectives for scope 3. For each *Product Market Combination* (PMC) that comes under the chosen strategy, value chain-specific emission data must be used and the insight is improved annually by extending this to data of (all) existing value chain partners and possible alternatives.

The specific emission data forms the basis for the improvement of insight into the company's scope 3 emissions (requirement 5.A.1) and for the report about *progress* and realisation of scope 3 objectives (requirement 5.B.2 and requirement 5.B.3).

The emission data must be as specific as possible. The data must be substantiated so adopted basic principles, sources and system limits are clear.
Preferably, emission data of products substantiated with studies drawn up in accordance with ISO 14067 (Carbon footprint of products) or in accordance with GHG Protocol Product Life Cycle Accounting and Reporting Standard.

If these are not available, emission data of supplying or buying companies can be used of which it can be indicated that these are representative for the supplied or sold products or services. These must then be substantiated by underlying studies or calculations.

If these can also not be available, emission data can be determined on the basis of emission factors from literature that are as specific as possible. The conversion factors to be used for converting energy carrier and/or activity into the amount of CO_2 emissions should use the CO_2 emission factors mentioned on www.co2emissiefactoren.nl (also see Chapter 5).

When it concerns materials, a company has to use data of the Dutch National Environmental Database (see www.milieudatabase.nl).
Deviations must be provided with reasons.

If specific emission data about products are not available or cannot in fairness be drawn up or (in case of the provision of services) are probably less relevant, CO_2 emission inventories of a company may also be used. If use is made of the CO_2 emission inventory (scope 1 & 2) of a company, this must be drawn up in accordance with ISO 14064-1.

The need for possible more far-reaching verification of data will be evaluated after some time.

For consideration

The insight must be based on specific emission data.

- The substantiation of the reduction objectives needs to be specific enough to visualise the effect of measures. It is in the interest of the company as well as its value chain partners that decisions are made on the basis of the right data.
- The Ladder CI requires enough specific and reliable figures to verify the objectives.
- The execution of the strategy can benefit but also harm parties in the value chain. By requesting emission data, the company promotes that these parties become aware of possible opportunities and threats so these parties can anticipate these if necessary.

Ladder assessment by the ladder CI

For the ladder assessment the Ladder CI ascertains, among other things,

- whether the company has made a demonstrable effort to obtain various specific emission data;
- whether the extent of detailing, the number of *direct value chain partners* whose specific emission data is requested and the frequency of actualisation fits in with the strategy and objectives for scope 3 formulated in requirement 5.B.1;
- whether adopted basic principles and system limits of the provided emission data are suitable;
- whether there is *progress* in specifying the emission data.

6.2.2 Angle B: Reduction

Requirement	S/M/L	Aspect	Requirements	Max. score
1B	All	The company investigates opportunities for reducing energy.	1.B.1. The company demonstrably investigates the opportunities for reducing the energy consumption of the company and the projects for which a CO_2-related award advantage has been obtained.	20
			1.B.2. The company has an up-to-date report of an independent internal control for the company and the projects for which a CO_2-related award advantage has been obtained.	5
		Objective: The company knows what can be saved on per energy flow. There are insight per savings model on which activity of the company this concerns.		
2B	All	The company has an energy reduction target, described in qualitative terms.	2.B.1. The company has an objective, described in qualitative terms, for reducing energy and has proposed measures for the projects.	10
			2.B.2. The company has a specified objective for the use of alternative fuels and/or the use of green energy, and has proposed measures for the projects.	10
			2.B.3. The energy and reduction objective and related measures have been documented, implemented and communicated to every employee.	3
			2.B.4. The reduction objective has been endorsed by higher-tier management.	2
		Objective: The objectives are cost effective and ambitious at the same time, and clear information is provided about this. The objectives are concrete. The measures (particularly for the projects) are assigned to those involved in the execution, required to implement the measure, and is communicated broadly within relevant parts of the company.		
3B	All	The company has quantitative CO_2 reduction objectives for its own organization.	3.B.1. The company has drawn up a quantitative reduction objective for scope 1 & 2 emissions of the company and its projects, expressed in absolute values or percentages in relation to a reference year and within a fixed period of time, and has drawn up a related action plan, including the measures to be taken on the projects.	15
			3.B.2. The company has drawn up an energy management action plan (in accordance with ISO 50001 or equivalent), which has been endorsed by higher-tier management, communicated internally and externally, and implemented within the company and on the projects for which a CO_2-related award advantage has been obtained.	10
		Objective: The company formulates an ambitious, substantiated objective for energy and CO_2 emission reduction (scope 1 and 2), where account has been taken of the relative position with respect to companies with similar activities involving the CO_2 performance and/or reduction measures. Innovative developments are also taken into account.		
4B	All *	The company has quantitative CO_2 reduction objectives for scope 1, 2 & 3 CO_2 emissions.	4.B.1. The company has formulated CO_2 reduction objectives for scope 3, based on two analyses from 4.A.1, or on two material GHG-generating activities, or value chains of activities. A related action plan has been drawn up, including the measures to be taken. Objectives are expressed in absolute values or percentages in relation to a reference year and within a fixed period of time.	15
	All*		4.B.2. The company reports at least once every six months, internally and externally, on its progress in relation to the objectives for the company and the projects for which a CO_2-related award advantage has been obtained.	10
		Objective: The company formulates an ambitious, substantiated objective for energy and CO_2 emission reduction in the value chain, where account has been taken of the influence of the company in the value chain, relative position with respect to companies with similar activities and with other initiatives in the value chain and/or sector. Innovative developments are also taken into account.		
5B	All*	The company reports on a structural and quantitative basis the results of the CO_2 reduction objectives for scope 1, 2 & 3.	5.B.1. The company has formulated a strategy and CO_2 reduction objectives for scope 3, on the basis of the analyses in 5.A.2. A related action plan has been drawn up, including the measures to be taken. Objectives are expressed in absolute values or percentages in relation to a reference year and within a fixed period of time.	9
	All*		5.B.2. At least once every six months, the company reports (internally and externally) on its emission inventory scope 1, 2 & 3-related CO_2 emissions, as well as its progress in terms of the reduction objectives, for the company and its projects.	8
	All		5.B.3. The company succeeds in meeting its reduction objectives.	8
		Objective: On the basis of increased insight, the company formulates a further-reaching policy and objectives for energy and CO_2 reductions in scope 1, 2 and 3. The company knows how to adjust on time if the success of objections is in danger, in order to succeed in realising the ambitious reduction objectives.		

*Exception for small companies (see the clarification of the requirement in question)

Clarification of Angle B, Reduction
Reduction creates opportunities for reduced energy consumption and CO_2 emissions, and encourages cooperation so that the most efficient options for reduction in the *value chain* are taken on. The company realises *continuous improvement* of the efficiency of measures, in determining and achieving objectives and indicating *progress* regarding objectives and measures.

Requirement 1.B	The company investigates opportunities for reducing energy.
All	Objective: The company knows what can be saved on per energy flow. There are insight per savings model on which activity of the company this concerns.

1.B.1 The company demonstrably investigates the opportunities for reducing the energy consumption of the company and the projects for which a CO_2-related award advantage has been obtained.

Score guideline
Yes (20), No (0)

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains that, among other things,
- the company is making *progress* by gradually using information sources that are more relevant, and
- the investigation follows the current developments, and

1.B.2 The company has an up-to-date report of an independent internal control for the company and the projects for which a CO_2-related award advantage has been obtained

Score guideline
Yes (5), No (0)

Clarification
The independent control mainly involves a fresh, independent and critical view. This does not need to be carried out by an external party.

If the independent control is executed by an external party, a separate contract is required. In that case, this work must be designated as consultancy/advisory services. Consultancy and verification/certification must be separated. Separate agencies are obligatory. When selecting a party and for the execution of the control, independence/impartiality must be guaranteed (see ISO 19011 for guidelines on carrying out audits).

It is clear that the scope of the independent internal control evolves as the ladder level increases. This is the case up to and including level 3:
- On level 1, the independent view only focuses on the energy flows (requirement 1.A) and the reduction possibilities assigned for this (requirement 1.B.1).
- Level 2 also concerns an independent view for the *energy assessment* (requirement 2.A.3) and the assigned objectives (requirement 2.B).
- Level 3 also concerns an independent view of the emission inventory (requirement 3.A) and the energy management action plan (requirement 3.B)[25].

The results of the internal control are included in the *internal audit* and, if necessary, in the *management assessment*.

[25] Naturally, this also applies to companies on level 4 and 5

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains that, among other things,

- whether the report is *up to date*. In the event the company has taken up other energy characteristics during the period to be assessed (projects of a different nature, new business units within the boundary), the report must be adapted.
- whether identified points for improvement from the previous year have been tackled and followed up;
- whether independent control has the scope of the (intended) ladder level;
- whether results of the internal control are included in the internal audit and the management assessment (see §6.1.1).

Requirement 2.B	The company has an energy reduction target, described in qualitative terms.
All	Objective: The objectives are cost effective and ambitious at the same time, and clear information is provided about this. The objectives are concrete. The measures (particularly for the projects) are assigned to those involved in the execution, required to implement the measure, and is communicated broadly within relevant parts of the company

2.B.1 The company has an objective, described in qualitative terms, for reducing energy and has proposed measures for the projects.

Score guideline
Yes (10), No (0)

Clarification
A qualitatively described objective is the result of a research process into reduction opportunities in which all angles (A - D) play a part. This target is expressed in the naming of activities through which reduction opportunities can be quantified in more detail and realized. The objective is followed up *regularly* on an annual basis, and adapted to the *progress*. The measures for the projects are clearly derived from the objective, described in qualitative terms, on company level. For each project, a list of technical and/or process-based measures must be in use which the company can possibly apply to the project. The list of measures is followed up and adapted regularly on an annual basis.

2.B.2 The company has a specified objective for the use of alternative fuels and/or the use of green energy, and has proposed measures for the projects.

Score guideline
Yes (10), No (0)

Clarification
The list of measures is followed up and *adapted* annually.

2.B.3 The energy and reduction objective and related measures have been documented, implemented and communicated to every employee.

Score guideline
Yes (3), No (0)

Clarification
The communication is followed up *regularly* and adapted every six months. Employees also explicitly means the employees responsible for the preparation and execution of the projects with CO_2-related award advantage.

2.B.4 The reduction objective has been endorsed by higher-tier management.

Score guideline
Yes (2), No (0)

Ladder assessment by the ladder CI
For the annual ladder assessment, the ladder CI ascertains other things, by means of a random test in the *projects for which CO_2-related award advantage* is obtained, see §7.2):

- whether the objectives and the measures for projects in the period to be assessed are endorsed by higher-tier management, and
- that this expresses commitment to *continual improvement* in energy efficiency and the availability of information and resources to achieve the objective, and
- whether this is safeguarded in the steering cycle under 2.C.2, and
- whether this has been performed in accordance with this steering cycle.

Requirement 3.B	The company has quantitative CO_2 reduction objectives for its own organization.
All	Objective: The company formulates an ambitious, substantiated objective for energy and CO_2 emission reduction (scope 1 and 2), where account has been taken of the relative position with respect to companies with similar activities involving the current CO_2 performance and/or reduction measures. Innovative developments are also taken into account.

3.B.1 The company has drawn up a quantitative reduction objective for scope 1 & 2 emissions of the company and its projects, expressed in absolute values or percentages in relation to a reference year and within a fixed period of time, and has drawn up a related action plan, including the measures to be taken on the projects

Score guideline
Yes (15), No (0)

Clarification
The quantitative reduction objective is formulated absolutely or relatively on company level for the *scope 1* and 2 emissions separately, and serves to

- relate to the most material emissions;
- relate to the *project portfolio*, and
- be ambitious in view of the company's own situation and similar to that of industry peers.

The latter means that the company should discuss its own position including a substantiation in which the chosen reduction objective:

1. is similar to industry peers, taking account of the *measures* already realised (the basic situation) from the completed *measures list*. The company hereby indicates whether, in this basic situation, it is a leader, run-of-the-mill or a straggler compared to industry peers (the relative position). This relative position in the basic situation is the basic principle for choosing the quantitative reduction objective. If the company's relative position is that of straggler, the reduction objective must be relatively big compared to industry peers to be called ambitious. If the company is a leader, the reduction objective can be relatively small, and still be ambitious.
2. Ambitious in view of the company's own situation, taking account of the planned measures of the completed list of measures.

> The *list of measures* and the *global measure*
> Lists of measures per activity can be found on the website of the SKAO.
> The company must determine which aspects of the list of measures are relevant for the company and indicate which measures are taken or will be taken for scope 1 and 2. The company must also fill in the requested information about global measures.

The action plan must contain at any rate:

- the list of CO_2-reducing measures for the *company*, and
- a quantitative indication on company level of the intended contribution of each measure to the objective, and
- for each *project for which CO_2-related award advantage has* been obtained:
  - the measures of this list which the company will apply in the project, or
  - the planned moment at which, in view of the project planning, the measures will be designated which the company will apply in the project.

The measures for the projects are clearly derived from the quantitative objective on company level. In a particular project for which CO_2-related award advantage has been obtained, a specific CO_2 performance cannot be involved, because none of the measures is applicable. There can be two reasons for this:

a. the measures on company level are not relevant or are relatively expensive in this specific project
b. a measure could be implemented, but the company chooses not to do this, with thorough substantiation.[26]

For a project that has acquired CO_2-related award advantage, other measures with similar reduction should then be applied in the course of the project. It is explicitly not necessary to formulate a separate objective on project level for separate projects.

Ladder assessment by the ladder CI

For the initial ladder assessment, the ladder CI ascertains whether, among other things, the objectives

- relate to the most material emissions under 3.A.1, and
- have been drawn up in accordance with 1.B and 2.B, and
- have been expressed clearly and correctly in quantitative terms
- are ambitious in view of the company's own situation and similar to that of industry peers. For this, the Ladder CI assesses whether the substantiated position is present concerning the relative position of the company in the basic situation and the ambition of the objectives and partly bases its assessment on this
- on the basis of a random test from the projects for which CO_2-related award advantage has been obtained:
  - that the company, given the project planning, cannot reasonably name the measures for these projects earlier than planned, or
  - that the company has named the measures for each project at the planned moment, and
  - that the company can substantiate modifications to the measures for each project with advancing insight into the external circumstances that determine the feasibility of reduction measures.

For the annual ladder assessment, the ladder CI ascertains, among other things,

- that the objective *is regularly followed up* annually and adapted to
  - the *progress* in among other things, the research of 1.B.1, and
  - the updated required substantiation on the relative position and the basic situation of the company
- the action plan shows demonstrable improvement, especially of the quantification of
  - the reference year (such as a better substantiation or less uncertainty), and
  - the reduction objective for intermediate years, and
- on the basis of a random test from the projects for which CO_2-related award advantage has been obtained:
  - that the company, given the project planning, cannot reasonably name the measures for these projects earlier than planned, or

[26] This can indicate a limited ambition of a company if measures that are possible are systemically not applied.

- that the company has named the measures for each project at the planned moment, and
- that the company can substantiate modifications to the measures for each project with advancing insight into the external circumstances that determine the feasibility of reduction measures.

As far as the reduction objective for intermediate years is concerned, at the first annual ladder assessment the objective must be quantified with regard to the year of the next *reassessment*.

The completed list of measures should be part of the initial and annual ladder assessment. The Ladder CI must first find out whether the relevant aspects of the list have been completed and whether, if the lists of measures show a different outcome than the company's substantiated position on the relative position or on the ambition of the objectives, the company can substantiate this plausibly. The company itself determines its own reduction objective and, derived from this, what the action plan with measures will be. For the annual ladder assessment, the list of measures provides the Ladder CI with an aid to test the *progress* of the action plan.

A Ladder CI cannot deduct points if a company chooses not to take certain measures. The lists of measures give the Ladder CI the possibility to hold a mirror up to the company and to give shape to the talk about the reduction objective, practice-based and therefore more critically testing.

Compulsory Internet Publication
The reduction objectives for scope 1 and 2 and the action plan are published on the company's website. The company keeps the information *up to date*. Not, not always or untimely publication leads to a deduction of six points.

3.B.2 The company has drawn up an energy management action plan (in accordance with ISO 50001 or equivalent), which has been endorsed by higher-tier management, communicated internally and externally, and implemented within the company and on the projects for which a CO_2-related award advantage has been obtained.

Score guideline
Yes, fully implemented (10), No (0)

Clarification
An energy management action plan goes together with monitoring, follow-up and *continual improvement* (see §6.1.1) the energy efficiency and consists of at least the following aspects:

- the action plan of requirement 3.B.1 if it meets the criteria of 3.B.1, and
- the provisions of § 4.4.6 of the NEN-ISO 50001, and
- the CO_2 reduction per measure in quantitative terms, and
- An overview of the responsibilities per measure.

The implementation of the entire management system of ISO 50001 is not a requirement. For the ladder assessment the company is expected to at least meet the criteria of ISO 50001 (see Table 6.3) mentioned in the text box.

Table 6.3. Criteria of ISO 50001

Paragraph ISO 50001		PDCA	Link with ladder requirement
§4.4.3	Energy assessment	Plan	2.A.3
§4.4.6	Energy assessment, targets and action plans for energy management	Plan/Do	Angle B/2.C.2
§4.6.1	Monitoring, measurement and analysis	Check	3.C.1/4.B.2/5.B.2/5.C.3
§4.6.4	Nonconformities, correction, corrective action and preventive action	Act	Continuous improvement

Ladder assessment by the ladder CI

For the initial ladder assessment, the ladder CI ascertains whether, among other things:

1. whether the energy management action plan is drawn up (in accordance with ISO 50001 or similar)
2. whether this is endorsed by higher management
3. whether this is communicated internally and externally
4. whether this is implemented for the company and
5. on the basis of a random test from the *projects for which CO_2-related award advantage* has been obtained:
    a. that the measures for the company, and the specific projects in which the company will apply them, are endorsed by higher-tier management in the period to be assessed, and
    b. whether this is safeguarded in the steering cycle under 2.C.2.

For the annual ladder assessment, the ladder CI ascertains, among other things,

1. whether the action plan in the period to be assessed is followed up and adapted *regularly* annually (among other things that it meets the criteria for the annual ladder assessment under 3.B.1) and that the company applies the principle of *continuous improvement in its working method* (see §6.1), and
2. whether the reports issuing from this demonstrate *progress* the realization of the planned measures the realization of the planned measures (according to the principle of 'comply or explain'), and
3. whether progress is booked in the reliability of the data used and calculation method in the contribution of each measure to the realization of the reduction objective, and
4. progress is booked in the application of more components from sections § 4.4.3, § 4.6.1, § 4.6.4 of ISO 50001, and
5. whether the company shows progress in the functioning of the ladder within the company towards the objective per requirement, and
6. on the basis of a random test from the projects for which CO_2-related award advantage has been obtained:
    a. that the measures for the company, and the specific projects in which the company will apply them, are endorsed by higher-tier management in the period to be assessed, and
    b. whether this is safeguarded in the steering cycle under 2.C.2., and
    c. whether this has been performed in accordance with this steering cycle, and
    d. whether the responsible persons have demonstrably undertaken activities in the assessed period in accordance with the action plan.

Requirement 4.B	The company has quantitative CO_2 reduction objectives for scope 1, 2 & 3 CO_2 emissions
S*/M/L	Objective: The company formulates an ambitious, substantiated objective for energy and CO_2 emission reduction in the value chain, where account has been taken of the influence of the company in the value chain, the relative position with respect to companies with similar activities and other initiatives in the value chain and/or sector. Innovative developments are also taken into account.

*For *small* companies, for requirement 4.B.1 'on the basis of one *value chain analysis* whether a CO_2 reduction objective is formulated for the value chain of activities'

4.B.1 The company has formulated CO_2 reduction objectives for scope 3, based on two analyses from 4.A.1, or on two material GHG-generating activities, or value chains of activities. A related action plan has been drawn up, including the measures to be taken. Objectives are expressed in absolute values or percentages in relation to a reference year and within a fixed period of time.

Score guideline
Yes, the size of the objective is significant and at least comparable to those of industry peers (15), No (0)

Clarification
The objective needs to be:
- ambitious in view of the company's own situation and similar to that of industry peers (also see requirement 3.B.1 for the substantiation of the position)
- the objectives are chosen for the most material emissions in *scope 3*.

If the reduction objectives are formulated for the two value chain analyses from requirement 4.A.1, two of the most material emissions are automatically involved. If reduction objectives are formulated for two other value chains, this must be a *value chain* for one of the two most material emissions and another value chain for one of the six most material emissions. If the company is a leader (apart from the CO_2 Awareness Certificate level) and among the six most material emissions there is not a single one in the (entire!) value chain with space for substantial innovative reduction, a modest objective will suffice.
The subject of the objective for this requirement is the reduction of scope 3 emissions by influencing the value chain, for instance, by improving a product, working method or approach, in cooperation with *value chain partners* (*value chain initiative*).

The measures for *projects* are clearly derived from the quantitative objective on company level. It is explicitly not necessary to formulate a separate objective on project level for separate projects for scope 3.

Ladder assessment by the Ladder CI
In the ladder assessment, the Ladder CI ascertains, among others, the following
1. whether the requirements have been chosen for the most material emissions in scope 3 of requirement 4.A.1, and
2. whether the company can present a substantiation on the relative position and the company's basic situation and of the ambition of the objectives
3. whether there is also a substantiation of the own explanation and the ambition taking account of the completed list of measures and
4. whether the energy management programme, expanded with scope 3, meets the criteria for the ladder assessment as specified under requirement 3.B.2, and
5. whether a related action plan has been drawn up, including the measures to be taken, and
6. the objectives, in the light of the substantiation under 2, are ambitious and comparable to those of industrial peers. If the lists of measures show a different outcome that the company's own explanation about the relative position or about the ambition of the objectives, the Ladder CI takes certain measures of the list as an example and asks why these are not/have not been taken. With this, the Ladder CI forms an opinion about the plausibility of the substantiations.

The completed *list of measures* should be part of the initial and annual ladder assessment. The Ladder CI must first find out whether the relevant aspects of the list have been completed and whether, if the lists of measures show a different outcome than the company's substantiated position on the relative position or on the ambition of the objectives, the company can substantiate this plausibly. The company itself determines its own reduction objective and, derived from this, what the action plan with measures will be. For the annual ladder assessment, the list of measures provides the Ladder CI with an aid to test the *progress* of the action plan.

A Ladder CI cannot deduct points if a company chooses not to take certain measures. The lists of measures give the Ladder CI the possibility to hold a mirror up to the company and to give shape to the talk about the reduction objective, practice-based and therefore more critically testing.

4.B.2 The company reports at least once every six months, internally and externally, on its progress in relation to the objectives for the company and the projects for which a CO_2-related award advantage has been obtained*

Score guideline
Yes (10), *regularly* annually (5), No (0)

Clarification
The progress reports are drawn up regularly every year or regularly every six months and treat *scope 1, 2 and 3* (on level 4 and 5) and related requirements per scope separately, including the progress with respect to the objective(s) in question, always in the same, comparable way.

*For a *small* company, annual reporting of scope 3 emissions and the progress with respect to the reduction objectives of scope 3 suffice.

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains that, among other things,

- whether the reports are published on a regular basis, and
- whether the reports treat scope 1, 2 and 3 (on level 4 and 5) including the progress with respect to the objective(s) in question, and
- whether this progress is every six months.

Compulsory Internet Publication
The progress reports must be published regularly at least every six months on the company's website. Old progress reports will remain on the company's website for at least two years. Not, not always or untimely publication leads to a deduction of six points.

Requirement 5.B	The company reports on a structural and quantitative basis the results of the CO_2 reduction objectives for scope 1, 2 & 3.
S*/M/L	Objective: On the basis of increased insight, the company formulates a further-reaching policy and objectives for energy and CO_2 reductions in scope 1, 2 and 3. The company knows how to adjust on time if the success of objections is in danger, in order to succeed in realising the ambitious reduction objectives.

*For *small* companies, the requirement to choose a scope 3 reduction strategy for requirement 5.B.1 and the requirement to compile value chain-specific data for requirement 5.B.2 are not necessary.

5.B.1 The company has formulated a strategy and CO_2 reduction objectives for scope 3, on the basis of the analyses in 5.A.2. A related action plan has been drawn up, including the measures to be taken. Objectives are expressed in absolute values or percentages in relation to a reference year and within a fixed period of time.

Score guideline
Yes (9), but only objectives with a corresponding action plan (6), Yes, but only a strategy (4), No (0)

Clarification
The company makes a substantiated decision for a *strategy* to realise *scope 3* reduction objectives on the basis of the strategies examined in requirement 5.A.2-2, develops this strategy into a coherent package of measures, and lays down the objectives to reduce scope 3 emissions portfolio-wide. This concerns a choice in the pallet of possible reduction strategies for the material scope 3 emissions. The measures need to be taken by the company autonomously.

This concerns the possibilities that are most relevant to the company to realise scope 3 emission reductions (*upstream* and/or *downstream*) that fit in with the general business strategy.

A strategy comprises approximately 20-40% of the scope 3 emissions as quantified for the benefit of requirement 5.A.1 and needs to be realisable for a longer period (three-six years).

The scope of the objective is determined by the effect on scope 3 emissions as a result of the *implementation* and development of the measures taken by the company throughout the value chain and must be ambitious, in view of the company's own situation.

Realisation of objectives concerning upstream scope 3 emissions concerns a performance obligation. Realisation of objectives concerning scope 3 emissions at customers or further in the value chain (downstream) is partly dependent on *value chain partners* and for this part it concerns an obligation to make one's best efforts. The action plan must include a description of which part of the objective the company wants to at least realise through autonomous measures to be taken and which part of the objective depends on customers or further downstream. For the latter part, it must be described which effort the company at least wants to take.

*For a *small* company, the requirement of formulating (choosing) a strategy does not apply. An action plan, including the decisions to be taken autonomously and corresponding objectives do need to be drawn up. The action plan, including the measures and objectives to be taken autonomously, must only be based on the actions that are considered for the *value chain* for which the *value chain analysis* is made. The company must then clarify in the action plan which concrete actions it will undertake.

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains that, among other things,

- whether the choice of strategy is substantiated and chosen from the strategies assessed at requirement 5.A.2;
- whether the reduction objective for scope 3 is portfolio-wide and;
- whether it is substantiated by a coherent package of measures and;
- whether the objectives are expressed in absolute values or percentages in relation to a reference year and within a fixed period of time;
- whether the objective is ambitious, in view of the company's own situation.

5.B.2 At least once every six months, the company reports (internally and externally) on its emission inventory scope 1, 2 & 3-related CO_2 emissions, as well as its progress in terms of the reduction objectives, for the company and its projects.

Score guideline
Yes, emission inventory and progress of the emission reduction objectives (8), Yes - only emission inventory (5), Yes, annually (5), No (0)

Clarification
The reports are made on a *regular basis* every six months, or more often and also regularly. The report includes the emission inventory for scope 1, 2 and 3, as well as the progress in the reduction objectives for scope 1, 2 and 3 for the company and the projects.

The company reports quantitatively on the material scope 3 emissions, on the basis of (partly) value chain-specific emission data and, if necessary, completed by indicators. For the emissions that are part of the chosen reduction strategy for scope 3 (requirement 5.B.1), the company reports quantitatively, based on value chain-specific emission data as requested from direct suppliers and/or direct customers (requirement 5.A.3). The emission inventory on scope 3 must be sufficiently complete and accurate to be able to define objectives and to monitor the realisation of these objectives.

What is mentioned above leads to the company regularly and systematically weighing up completeness and accuracy on the one hand, and effectiveness of the emission inventory on the other.

The report for scope 3 must include at least the following data:

1. total scope 3 emissions per scope 3 category. The choice of categories must correspond to the emission sources (column 2) used for requirement 4.A.1;
2. for each scope 3 category, the total emission tonnes of CO_2 independent of possible trade in CO_2 rights or certificates;
3. an overview of scope 3 categories and activities that have been included in the inventory;
4. an overview of categories or activities that have not been included in the inventory, with a substantiation of why these have not been included;
5. for each of the included scope 3 categories, a description of the types and sources of data, including activity data, emission factors and Global Warming Potential (GWP) values, which are used to calculate the emissions and a description of the quality of the reported data;
6. for each of the included scope 3 categories, a description of methods, method of attribution and assumptions used to calculate scope 3 emissions;
7. for each of the included scope 3 categories, the percentage of emissions calculated on the basis of data originating from the value chain partners.

This list of report data is based on Chapter 11 of the GHG Protocol Scope 3 Standard.

*****For *small* companies, the requirement to compile value chain specific data is not necessary (requirement 5.A.3). In addition, For a small company, annual reporting of scope 3 emissions and the progress with respect to the reduction objectives of scope 3 suffice. Therefore, the company reports quantitatively on the material 3 emissions, on the basis of indicators, taking account of the list mentioned above with report data, excluding point 7. The company reports about the progress with respect to the objective.

Ladder assessment by the ladder CI

For the ladder assessment the Ladder CI ascertains that, among other things,

- whether the reports are published on a regular basis, and
- whether the emission inventories show *progress* as indicated with the corresponding requirements on the lower levels, and moreover
- whether the report for scope 3, which is part of the chosen reduction strategy, is complete (see the seven points above)
- whether the company makes progress in completing its scope 3 emissions, and
- whether this progress is every six months.

Compulsory Internet Publication

The reports must be published on the company's website at least every six months. Published progress reports remain accessible on the company's website at least two years after the authorisation date. Not, not always or untimely publication leads to a deduction of six points.

5.B.3 The company succeeds in meeting its reduction objectives.

Score guideline

Yes, completely (8), No (0)

The company will indicate annually in the ladder assessment that the reduction objectives of the company as a whole have been realized, or the company is demonstrably on the right path to realising them. There are two options here:

- The objectives have been determined for a longer, long-term period. For every year on the course towards those objectives the corresponding intermediate milestones are quantified

(farther-reaching than set under 3.B.1 in the annual ladder assessment). If, due to predictable developments and despite reduction measures, a temporary increase in emissions is expected, this must be expressed in the course.

- For every coming year new, separate reduction objectives are set.

Every year new, farther-reaching measures must thus be taken that result in achieving yet another new reduction objective or intermediate milestone that is higher than the level of performance achieved in the previous year. In both situations the requirements regarding the specification per project to which CO_2-related award advantage has been obtained apply.

Ladder assessment by the ladder CI

For the ladder assessment, the ladder CI ascertains, among other things,

- whether the company has demonstrably realized its reduction objectives from requirements 3.B.1, 4.B.1 and 5.B.1 in the period to be assessed, or
- if the company did not incidentally meet its reduction objectives due to unforeseen circumstances, the company can properly explain this and takes extra measures to catch up.

And:

If it is also a matter of an obligation to use one's best efforts towards customers or further in the value chain downstream: whether this has been fulfilled.

6.2.3 Angle C: Transparency

Requirement	S/M/L	Aspect	Requirements	Max. score
1C	All	The company communicates its energy reduction policy on an ad hoc basis.	1.C.1 The company demonstrably communicates internally, on an ad hoc basis, its energy reduction policy for the company and the projects for which a CO_2-related award advantage has been obtained.	20
			1.C.2. The company demonstrably communicates externally, on an ad hoc basis, its energy reduction policy for the company and the projects for which a CO_2-related award advantage has been obtained.	5
		Objective: the company involves all employees in the development of an energy or CO_2 reduction policy, whereby it clearly communicates where the main challenges lie for the company and its own activities.		
2C	All	The company communicates its energy policy internally – to a minimal degree – and possibly externally.	2.C.1. The company communicates its energy policy, internally and structurally, for the company and its projects. The communication includes at least the energy policy and reduction objectives of the company and the measures in the projects for which a CO_2-related award advantage has been obtained.	10
			2.C.2. With regard to CO_2 reduction, the company has an effective steering cycle with designated responsibilities for the company and the projects for which a CO_2-related award advantage has been obtained.	10
			2.C.3. The company has identified the external interested parties for the company and the projects for which a CO_2-related award advantage has been obtained.	5
		Objective: The company works on scope in the company to look for more effective energy and CO_2 reduction measures. The company stimulates its own employees to come up with proposals for improvement and gives feedback on what is happening with these proposals. The company knows which external stakeholders can have an interest in energy and CO_2 reduction in the company. The company's employees who can provide a relevant contribution know what is expected of them.		
3C	All	The company communicates internally and externally on its CO_2 footprint and reduction objectives.	3.C.1. The company communicates, internally and externally, and on a structural basis, its CO_2 footprint (scope 1 & 2 emissions) and the quantitative reduction objectives of the company and the measures in projects for which a CO_2-related award advantage has been obtained. The communications contain as a minimum the energy policy and reduction objectives of the company and the aforementioned measures, opportunities for individual contributions, information concerning current levels of energy consumption and trends in the company and on the projects.	20
			3.C.2. The company has a documented internal and external communication plan with documented tasks, responsibilities and methods of communication for the company and the projects for which a CO_2-related award advantage has been obtained.	5
		Objective: Through communication, the company enables external relevant experts to form a critical opinion about the company's efforts, also with respect to other companies.		
4C	L	The company maintains dialogue with government bodies and NGOs about its CO_2 reduction objectives and strategy.	4.C.1. The company can demonstrate that it maintains regular (at least twice a year) dialogue with interested parties in government and NGOs (at least two) about its CO_2 reduction objectives and strategy for the company and the projects.	20
			4.C.2. The company can demonstrate that areas of concern about the company or projects expressed by the government bodies or NGOs have been identified and addressed.	5
		Objective: The objective of the dialogue is to assess whether the subject really has priority in the company's management and to make suggestions for improvement and taking on new matters.		
5C	M/L	The company is publicly committed to a government or NGO CO_2 emission reduction programme.	5.C.1. The company can demonstrate that it is publicly committed to a government or NGO CO_2 emission reduction programme, for both itself and its projects.	10
			5.C.2. (see 5.C.1) more than one.	5
			5.C.3. The company communicates internally and externally, on a structural basis at least twice a year, on its CO_2 footprint (scope 1, 2 & 3) and the quantitative reduction objectives for the company and the measures in projects for which a CO_2-related award advantage has been obtained. The communications contain as a minimum the energy policy and reduction objectives of the company and the aforementioned measures, opportunities for individual contributions, information concerning current levels of energy consumption and trends in the company and on the projects.	10
		Objective: The company takes on a commitment with a contractual nature for the realisation of specific energy or CO_2 reduction objectives, communicates about this and fulfils this. Objectives that are part of this commitment are at least in line with national and/or sectorial reduction objectives and clearly go beyond legal obligations. The company communicates about its objectives and results regarding energy and CO_2 reduction in the value chain.		

Clarification of Angle C, Transparency
Through Transparency, a company encourages the creative commitment of its employees, companies are informed about each other's efforts, and a company can be called to account by others for its ambitions and progress. The company realises *continuous improvement* in the depth and spread of communication and in processing the involvement of internal and external stakeholders.

Requirement 1.C	The company communicates its energy reduction policy on an ad hoc basis.
All	Objective: the company involves all employees in the development of an energy or CO_2 reduction policy, whereby it clearly communicates where the main challenges lie for the company and its own activities.

1.C.1 The company demonstrably communicates internally, on an ad hoc basis, its energy reduction policy for the company and the projects for which a CO_2-related award advantage has been obtained.

Score guideline
Yes, at least twice yearly (20), Yes, once a year (10), No (0)

Ladder assessment by the ladder CI
For the ladder assessment, the ladder CI ascertains whether, among other things,
- in the assessed period, communication activities again took place, and whether
- they provide information about the most important facts concerning the *progress* in the energy reduction policy in the assessed period.

1.C.2 The company demonstrably communicates externally, on an ad hoc basis, its energy reduction policy for the company and the projects for which a CO_2-related award advantage has been obtained.

Score guideline
Yes, at least twice yearly (5), No (0)

Ladder assessment by the ladder CI
See requirement 1.C.1.

Requirement 2.C	The company communicates its energy policy internally – to a minimal degree – and possibly externally.
All	Objective: The company works on scope in the company to look for more effective energy and CO_2 reduction measures. The company stimulates its own employees to come up with proposals for improvement and gives feedback on what is happening with these proposals. The company knows which external stakeholders can have an interest in energy and CO_2 reduction in the company. The company's employees who can provide a relevant contribution know what is expected of them

2.C.1 The company communicates its energy policy, internally and structurally, for the company and its projects. The communication includes at least the energy policy and reduction objectives of the company and the measures in the projects for which a CO_2-related award advantage has been obtained.

Score guideline
Yes, at least twice yearly (10), Yes, once a year (5), No (0)

Clarification
'Internal' concerns all permanent and temporary employees of the company, including employees

of the company involved in the project portfolio and who are responsible for the preparation and execution of the projects for which a CO_2-related award advantage has been obtained.
'Structural' in this context means that for projects for which CO_2-related award advantage has been obtained, communication takes place about each of these projects. If most of the projects of the company are performed with subcontractors, the company also communicates:

- at the locations of projects for which CO_2-related award advantage has been obtained,
- on the measures designated for that project,
- such that all employees of the subcontractors of that project have been able to become aware of it.

Ladder assessment by the ladder CI
For the ladder assessment, the ladder CI ascertains whether, among other things, communication activities

- are *continued with regular* frequency, and
- they provide information about the most important facts concerning the *progress* in the energy reduction policy in the assessed period, and
- (if the majority of the projects is carried out with subcontractors) can also demonstrably take place at locations of *projects for which CO_2-related award advantage* has been obtained; if one in two projects have been given award advantage: on this one resp. both locations; for more than two similar projects: in two locations of choice. The ladder CI must make certain of this, if necessary through verification by visiting the project location.

It can be ascertained with certainty that all subcontractor employees involved in the project in question have been able to become aware of the communication in the event:

- the means of communication is/was offered demonstrably in a prominently visible manner for all employees during the greater part of the execution, or
- from a random selection among the employees present at the project location, it is proved that the majority of them can name the subjects about which information is/was offered. It is not expected that employees of a subcontractor who is only involved for a short period (one week or less) are also aware of the internal communication.

2.C.2 With regard to CO_2 reduction, the company has an effective steering cycle with designated responsibilities for the company and the projects for which a CO_2-related award advantage has been obtained.

Score guideline
Responsible parties identified and steering cycle implemented (10), Responsibilities assigned (5)

Clarification
The steering cycle must be effective for the business operations as a whole; within that, responsibilities must also be designated for each of the projects for which CO_2-related award advantage was obtained.

Ladder assessment by the ladder CI
For the ladder assessment, the ladder CI ascertains whether, among other things,

- the description of the steering cycle *is up to date*,
- and that randomly selected responsible parties
    - are aware of their responsibilities,
    - know how (by whom, about what, how often, etc.) they are informed,
    - and in the assessed period were demonstrably involved in accordance with the steering cycle in the settlement of one or several issues determined (at random).

A random test is determined among the responsible parties for

- the group which is responsible for one or more of the projects for which CO_2-related award advantage was obtained, and for

- the group of other responsible parties.

If the company cannot name enough issues for the period to be assessed to allow a random selection,
- the ladder CI can, on the basis of the *progress* this period (as in requirements 1.A.3, 2.A.2, 2.A.3, 2.B.[27]) choose a number of issues corresponding with the necessary random selection size,
- whereby the choice is random and entirely at his own discretion, and
- that should have been handled in the steering cycle, and
- of which half relate to projects for which CO_2-related award advantage was obtained.

2.C.3 The company has identified the external interested parties for the company and the projects for which a CO_2-related award advantage has been obtained.

Score guideline
Yes (5), No (0)

Clarification
The relevant external parties to be identified are:
- parties that have an interest in the reduction of energy and of the most material CO_2 emissions, and
- potential partners for cooperation on CO_2 reduction, both in the initiatives of the company and in the measures in *projects*.

National, regional or local players with an interest in CO_2 reduction are relevant, as long as they
- have sufficient knowledge in the area of CO_2, and
- fulfil a meaningful role in the policy concerning environmental protection, or
- the same in the social debate on environmental protection.

The identification of interested parties is an important step on the way to other achievements at higher ladder levels, such as *structural* communication under 3.C.1, the communication plan under 3.C.2 and the dialogue under 4.C.1. That is why the company must be able to explain what relationship it sees between the interested parties mentioned and the CO_2-aware activities of the company.

Ladder assessment by the ladder CI
For the ladder assessment, the ladder CI ascertains whether, among other things,
- the company has compiled the list in a targeted way, on the basis of
  - the relationship with the CO_2-aware activities of the company, and
  - its meaning for activities at possibly higher levels such as the communication plan.
- the list *is up to date*, on the basis of among other things
  - characteristics of projects for which CO_2-related award advantage was obtained in the period to be assessed,
  - change in the measures for CO_2 reduction in projects,
  - advancing insight into the energy policy or the energy reduction policy of the company.

Requirement 3.C	The company communicates internally and externally on its carbon footprint and reduction objectives.
All	Objective: Through communication, the company enables external relevant experts to form a critical opinion about the company's efforts, also with respect to other companies.

[27] They are relevant for a company with CO_2 Awareness Certificate level 2. At higher levels, also involve the reports.

3.C.1 The company communicates structurally and externally about the carbon footprint (scope 1 & 2 emissions) and the company's quantitative reduction objective(s) and the measures in projects for which CO_2-related award advantage was obtained. The communications contain as a minimum the energy policy and reduction objectives of the company and the aforementioned measures, opportunities for individual contributions, information concerning current levels of energy consumption and trends in the company and on the projects.

Score guideline
Yes, *regularly* every six months (20), Yes, once a year (10), No (0)

Clarification
The company communicates, with regard to the projects, the most important trends in energy consumption and CO_2 emissions, at its discretion

- with respect to the *project portfolio*, or
- with respect to the part of the project portfolio for which CO_2-related award advantage has been obtained.

Ladder assessment by the ladder CI
For the ladder assessment, the ladder CI ascertains whether, among other things,

- the communication comprises all items from requirement 3.C.1., and gives a correct picture of the CO_2 performance,
- communication is *structural* and regular every six months;
- the company is transparent about the initiatives the company takes part in and how (requirements 2.D and 3.D.1);
- the communicated information is comparable with information provided previously;
- communication that discusses the *progress* the realization of a requirement concerning scope 1 and 2 discusses both scopes and is transparent about the actual progress.

Compulsory Internet Publication
The company publishes the *carbon footprint* the quantitative reduction objectives on the company's website. The company keeps the information *up to date*. Not, not always or untimely publication leads to a deduction of six points.

3.C.2 The company has a documented internal and external communication plan with documented tasks, responsibilities and methods of communication for the company and the projects for which a CO_2-related award advantage has been obtained.

Score guideline
Yes, demonstrable (5), No (0)

Clarification
The company demonstrably targets all employees and the identified interested parties under 2.C.3, placed in distinctive target groups. The plan must comprise at least:

- the message per target group,
- the communication objectives (in terms of familiarity with the message),
- an overview of resources,
- responsible parties and implementers, and
- the planning, including the frequency of communication activities.

The plan comprises all communication activities about the CO_2 performance of the company and the projects referred to. The plan must comprise the communication before, during and after the project for which CO_2-related award advantage has been obtained. The plan must be demonstrably in use. The plan must have adequately assigned the responsibilities for communication related to the business operations as a whole; within that, responsibilities must also be designated for each of the *projects for which CO_2-related award advantage was obtained.*

Ladder assessment by the ladder CI
For the ladder assessment, the ladder CI ascertains whether, among other things,

- the communication plan has been set up in accordance with the above-mentioned requirements, and comprises all communication activities about the CO_2 achievements of the company and the projects referred to, and
- the communication plan is *up to date*, on the basis of, among other things,
  - the up-to-date list of external interested parties under requirement 2.C.3.,
  - the started and current projects for which CO_2-related award advantage was obtained,
  - the trends in energy consumption and CO_2 emissions, and the *progress* with respect to the reduction objectives,
  - the company's boundary, and
- the responsible parties
  - are aware of their responsibilities, and
  - can each demonstrate for a different communication activity from the period to be assessed that it was performed under his or her directions in accordance with the communication plan,
  - and can name and has addressed learning points issuing from this.

Requirement 4.C	The company is in dialogue with parties within the government and NGOs about its CO_2 reduction objectives and strategy
L	Objective: The objective of the dialogue is assessing whether the subject really has priority in the company's management and to make suggestions for improvement and taking on new matters.

4.C.1 The company can demonstrate that it maintains regular (at least twice a year) dialogue with interested parties in government and NGOs (at least two) about its CO_2 reduction objectives and strategy for the company and the projects.

Score guideline
Yes, meets the minimum criteria (20), Yes, one stakeholder, twice a year (5), No (0)

Clarification
The role of *NGO* may also be fleshed out for this requirement by an independent expert.
The company is in dialogue with the government at least twice a year and with an NGO twice a year or an independent expert about ambition of the CO_2 reduction objective and the strategy of the company and its projects. These parties must have an independent position with respect to the company.

The dialogues with an NGO or independent expert must each be carried out at least twice a year on a management level. The dialogue must in any case be a specific 'CO_2' dialogue, focusing on the possibilities in the execution of projects. A subsidiary company cannot free ride on the dialogue that the parent company holds with the government if the organizational boundary of the company includes parent and subsidiary. If the organizational boundary only comprises the subsidiary company, this company must maintain its own dialogue.
Of course, apart from the specific 'CO_2'dialogue (outside the ladder assessment's framework) other sustainability topics can also be discussed.

Ladder assessment by the ladder CI
For the initial ladder assessment, the ladder CI ascertains whether, among other things:

- the company has a declaration from the independent expert, NGO or government that the first dialogue meeting took place.
- there is a dialogue with an independent expert

- this expert is part of the pool set up by the SKAO[28], or
- the expertise and the independence of the independent expert, if he/she is not yet part of the pool, but has been approved by the SKAO

- whether the dialogue was sufficiently documented (place, time, participants, contents, conclusions).

For the annual ladder assessment, the ladder CI ascertains, among other things,

- whether the company has a declaration from the independent expert, NGO or government that each dialogue in the period to be assessed *is regularly* continued every six months, of which the dialogue with an NGO or independent expert is carried out twice a year, and
- whether the dialogue partner has demonstrable knowledge of the facts.

4.C.2 The company can demonstrate that areas of concern about the company or projects expressed by the government bodies or NGOs have been identified and addressed.

Score guideline
Yes, demonstrable (5), No (0)

Ladder assessment by the ladder CI
In the initial ladder assessment the Ladder CI determines, among other things, whether the points of concern have been addressed in accordance with the steering cycle of requirement 2.C.2.

For the annual ladder assessment, the ladder CI ascertains, among other things,

- whether the list of areas of concern is complete, including the areas of concern of the dialogue meetings during the period to be assessed, and
- whether the points of concern have been addressed in accordance with the steering cycle of requirement 2.C.2, and
- whether the areas of concern handled satisfactorily have been permanently documented, including the responsible party, in accordance with the steering cycle under requirement 2.C.2, and
- whether the interested dialogue partner confirms his satisfaction with the handling. The ladder CI verifies this from the interested dialogue partners on the basis of a random test from the areas of concern handled.

Requirement 5.C	The company is publicly committed to a government or NGO CO_2 emission reduction programme of the government or NGO
M/L	Objective: The company takes on a commitment with a contractual nature for the realisation of specific energy or CO_2 reduction objectives, communicates about this and fulfils this. Objectives that are part of this commitment are at least in line with national and/or sectorial reduction objectives and clearly go beyond legal obligations. The company communicates about its objectives and results regarding energy and CO_2 reduction in the value chain.

5.C.1 The company can demonstrate that it is publicly committed to a CO_2-emission reduction programme of the government and/or NGO for both itself and its projects.

Score guideline
Yes, to one programme (10), Yes, to more than one programme (5 extra)

[28] available on the website of the SKAO

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains that, among other things,

a. whether the *voluntary CO_2 emission reduction programme* (still) has an active status, and
b. the company can demonstrate that the commitment relates to the execution of projects, and
c. whether public commitment of companies is (still) part of the execution of this programme, and
d. whether the public commitment of the company is known to the responsible parties for the programme, and they believe that it matches the objectives of the programme.

In the annual ladder assessment, the Ladder CI also ascertains whether the company can demonstrate that it is improving the performance in a systematic way in order to realize the commitment in due time. If, after the initial ladder assessment, the company finds out that this cannot be demonstrated, the company can commit itself to another reduction programme, as long as this can be demonstrated in the subsequent annual ladder assessment or assessments.

If the company presents participation in a *LTA3* or *MEE* covenant (or a future successor of these covenants) as a programme of a local authority to which it has publicly committed, the Ladder CI assesses either:

1. That the company demonstrates participation in the covenant by mentioning this in a public register and/or via an updated progress declaration regarding exemption of energy tax
2. The company has an approved Energy Efficiency Plan (EEP)
3. The company can indicate that it realised this EEP in the previous year
4. The company can indicate that it did not use foreign green energy certificates (GEC) for the realisation of its EEP.

Or:
The company has a certified energy management system in accordance with ISO 50001, awarded by a Ladder CI who is accredited for this.

Compulsory Internet Publication
At least once every three years after an initial ladder assessment and after a reassessment, the company publishes the name of the programme, the responsible local authority or *NGO* on its website and what the commitment entails. If a *CO_2 emission reduction programme* no longer has an active status and the company has committed to a new or different programme, this information must be replaced. Not, not always or untimely publication leads to a deduction of six points.

5.C.2 (See 5.C.1) more than one

5.C.3 The company communicates internally and externally, on a structural basis at least twice a year, on its CO_2 footprint (scope 1, 2 & 3) and the quantitative reduction objectives for the company and the measures in projects for which a CO_2-related award advantage has been obtained. The communications contain as a minimum the energy policy and reduction objectives of the company and the aforementioned measures, opportunities for individual contributions, information concerning current levels of energy consumption and trends in the company and on the projects.

Score guideline
Yes, fulfils this demonstrably (10), No (0)

Clarification
See the clarification for requirement 3.C.1.

6.2.4 Angle D: Participation

Requirement	S/M/L	Aspect	Requirements	Max. score
1D	All	The company is aware of sector and/or value chain initiatives.	1.D.1. The company is demonstrably aware of sector and/or value chain initiatives for reducing CO_2, which are closely related to its project portfolio.	15
			1.D.2. Sector and value chain initiatives, and their relationship with the company operations and project portfolio, are discussed in management consultations.	10
		Objective: The company knows the development initiatives that potentially can result in measures that are relevant for the company. The management has made statements about possible participation in these initiatives.		
2D	All	The company is a passive participant in initiatives aimed at reducing CO_2 in or outside the sector.	2.D.1. The company is a passive participant in at least one sector or value chain initiative that is closely related to its project portfolio, by signing up to it or paying a contribution or sponsorship fee.	20
			2.D.2. The company plays an active part or limited active part in a sector or value chain initiative that is closely related to its project portfolio.	5
		Objective: The company knows which information can be of use for its projects (linked to 2.B and 2.C) and takes part in an initiative that meets its own knowledge requirements.		
3D	All	The company is an active participant in initiatives aimed at reducing CO_2 in or outside the sector.	3.D.1. Active participation in at least one sector or value chain initiative aimed at reducing CO_2 in its project portfolio, through demonstrable participation in working groups, publicly advocating the initiative and/or providing information for the initiative.	20
			3.D.2. The company has made a specific budget available for this purpose.	5
		Objective: The company contributes to and makes use of the development of new knowledge, in cooperation with others, geared towards potentially effective reduction measures.		
4D	L	The company initiates development projects that facilitate reductions in CO_2 in the sector.	4.D.1. The company can demonstrate that it has initiated development projects that make it easier for the sector to reduce CO_2 when carrying out projects, by linking its name to the initiatives through publications and through the affirmation of co-initiators.	20
			4.D.2. The company has made a specific budget available for this purpose.	5
		Objective: The company takes on a leading role in the development and announcement of new measures for far-reaching energy or CO_2 emission reduction in the sector.		
5D	L	The company takes an active part in setting up a sector-wide CO_2 emissions reduction programme in collaboration with the government or NGO.	5.D.1. The company can demonstrate that it is actively involved in setting up a sector-wide CO_2 emissions reduction programme in collaboration with the government and/or an NGO, and that it makes a relevant contribution to it in the execution of projects.	5
			5.D.2. The company has made a specific budget available for this purpose.	5
			5.D.3. The company is the owner/developer of documents that prove:	
			5.D.3-1. that at least two of these documents have been drawn up by the company.	5
			5.D.3-2. that at least one government body and/or at least one NGO, and at least two other companies are involved in the reduction programme.	5
			5.D.3-3. that the programme is subject to minimum and time-related reduction requirements, in absolute or relative terms.	5
		Objective: The company succeeds in, or has made an effort for a specific period and in different ways to urge other companies in the sector to implement favourable energy or CO_2 reduction measures.		

Clarification of Angle D, Participation

Through the Participation aspect, a company demonstrates that it is investing in collaboration, in sharing its knowledge and, where possible, using knowledge that has been developed elsewhere for its own operations. The company realises *continuous improvement* in selecting useful *initiatives* and applying the knowledge in the company.

Requirement 1.D	The company is aware of sector and/or value chain initiatives.
All	Objective: The company knows the initiatives that potentially can result in measures that are relevant for the company. The management has made statements about possible participation in these initiatives.

1.D.1. The company is demonstrably aware of sector and/or value chain initiatives for reducing CO_2, which are closely related to its project portfolio.

Score guideline
Yes (15), No (0)

Clarification
'Related to the project portfolio to a major extent' in this context is related to the company's identified and quantified energy flows with requirements 1.A.1 and 1.A.2. The *initiatives* in the field of CO_2 reduction should be related to the main energy flows, of which a qualitative indication and their relation to the *projects* is determined in requirement 1.A.2.

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains that, among other things,

- the company can submit an overview of new reduction possibilities including initiatives for CO_2 reduction, and
- randomly selected involved officials can demonstrate
  - that they are connected with the energy policy of the company, and
  - that they are relevant to the most important energy flows within the company, and
  - that the knowledge is easy to find for the organization, and
  - is used in the development of the reduction approach, and
- that the company keeps up to date on new developments.

1.D.2 Sector and value chain initiatives, and their relationship with the company operations and project portfolio, are discussed in management consultations.

Score guideline
Yes, and follow-up actions are planned (10), Yes (5), No (0)

Ladder assessment by the ladder CI
For the ladder assessment, the ladder CI ascertains whether, among other things,

- the possibilities of saving and CO_2 reduction have been discussed, and
- that furthermore, it has been established which knowledge is still missing and must be investigated, and
- randomly selected involved officials can demonstrate
  - that there is advancing insight, and
  - that the process of collecting knowledge is steered.

Requirement 2.D	The company is a passive participant in initiatives aimed at reducing CO_2 in or outside the sector.
All	Objective: The company knows which information can be of use for its projects (linked to 2.B and 2.C) and takes part in an initiative that meets its own knowledge requirements.

2.D.1 The company is a passive participant in at least one sector or value chain initiative that is closely related to its project portfolio, by signing up to it or paying a contribution or sponsorship fee.

Score guideline
Yes (20), No (0)

Clarification
The *initiative* should:
- aim at reducing one of the most material CO_2 emissions in *scope 1, 2 or 3;*
- aim at developing another (or improved) product, service or work process for the own company;
- be innovative.

Passive participation in an initiative comprises the 'acquisition' of information. The company should register for the initiative or provide a financial contribution to the initiative. 'Related to the project portfolio to a major extent' in this context is related to the company's quantified energy flows with requirement 2.A.1. The initiatives in the field of CO_2 reduction should be related to the main energy flows, of which a quantitative indication and their relation to the projects is determined in requirement 2.A.1.

A company can *passively take part* in an initiative that was initiated by another company that is certified on the CO_2 Performance Ladder. This then concerns activities in the framework of a *value chain initiative* (requirement 4.B), *development project* (requirement 4.D) or a *CO_2 emission reduction programme* (requirement 5.D). A company can also take part in an initiative outside the CO_2 Performance Ladder that meets the requirements.

Ladder assessment by the ladder CI
For the ladder assessment of a new[29] participation, the Ladder CI ascertains, among other things,
- whether the initiative suffices, and
- the participation relates to measures that are relevant to the company, on the basis of: of
  - the connection with the most important energy flows of projects, and
  - The substantiation of the selection of items or questions of the management meeting(requirement 1.D.2)

For the ladder assessment of a current[30] participation the ladder CI ascertains that, among other things,
- whether the initiative suffices,
- whether *progress* in the 'acquisition' of information is demonstrable, on the basis of internal reports on the new information
- (when concluding participation), whether the company can indicate that it has insight into which measures from the initiative could be applied by the company in projects, and
- whether the company has contributed financially.

2.D.2 The company plays an active part or limited active part in a sector or value chain initiative that is closely related to its project portfolio.

Score guideline
Yes, actions/initiatives are in progress (5), No (0)

Clarification
'Limited active participation' means that the company has planned its first actions/initiatives for the integration of measures in its reduction approach and sharing related experiences in the initiative on the basis of the information obtained (requirement 2.D.1)

[29] Participation was started in the period to be assessed.
[30] Participation was shown to be satisfactory in an earlier assessment.

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains that, among other things,

- whether a need for information has been established deliberately in the management consultation (see requirement 1.D.2), and
- whether the choice of initiatives that are participated in logically results from this, and (on the basis of internal reports on the findings) decisions are taken about the consequences for the reduction approach.

Requirement 3.D	The company is an active participant in initiatives aimed at reducing CO_2 or outside the sector.
All	Objective: The company contributes to and makes use of the development of new knowledge, in cooperation with others, geared towards potentially effective reduction measures.

3.D.1 Active participation in at least one sector or value chain initiative aimed at reducing CO_2 in its project portfolio, through demonstrable participation in working groups, publicly advocating the initiative and/or providing information for the initiative.

Score guideline
Yes, actions/initiatives are in progress (20), No (0)

Clarification
If there is active participation in an *initiative* (complying with requirement 3.D), this means automatic assignment of a score for passive and limited active participation (this also fulfils requirement 2.D). Requirement 3.D must also be fulfilled in the event the company has a certificate on level 4 or 5.

Active participation in an initiative at least coincides with the 'acquisition' as well as the 'distribution' information. As long as this is the case, an initiative is suitable for active participation. The company should register for the initiative or provide a financial contribution to the initiative.

A company can actively take part in an initiative that was initiated by another company that is certified on the CO_2 Performance Ladder. This then concerns an initiative, project or programme in the framework of a *value chain initiative* (requirement 4.B), *development project* (requirement 4.D) or *CO_2 emission reduction programme* (requirement 5.D). A company can also take part in an initiative outside the CO_2 Performance Ladder that meets the requirements (see 2.D.1).

Ladder assessment by the ladder CI
For the ladder assessment of a new participation, the Ladder CI ascertains, among other things,

- whether the initiative is compliant (see requirement 2.D.1), and
- whether the participation relates to relevant measures, on the basis of:
  - the connection with the scope 1, 2 and 3 emissions for projects,
  - the ranking of the 10 most *material* emissions therein,
  - The selection of items or questions on the basis of the management meeting (requirement 1.D.2)

For the ladder assessment of a current participation the ladder CI ascertains that, among other things,

- whether the initiative is compliant (see requirement 2.D.1), and
- whether *progress* in the 'acquisition' and 'distribution' of information is demonstrable, on the basis of internal reports on the new information, and decision-making about it, presentations and the like, and
- whether the company has contributed financially.

Compulsory Internet Publication
The company publishes, at least every three years after an initial ladder assessment, and after reassessment, one document with the initiative's name, including a brief description, the initiators and the (reduction) objectives on the SKAO website. The company also publishes this information (free format) on its own website. If the company has started actively taking part in a new or other initiative, then this must be replaced. Not, not always or untimely publication leads to a deduction of six points.

3.D.2 The company has made a specific budget available for this purpose.

Score guideline
Yes (5), No (0)
If there is active participation in an initiative (complying with requirement 3.D), this means automatic assignment of a score for passive and limited active participation (this also fulfils requirement 2.D). Requirement 3.D must also be fulfilled in the event the company has a certificate on level 4 or 5.

Clarification
The budget must on an annual basis also be sufficient (as proportionate contribution) to cover the other planned costs of the initiative during the entire planned duration of the initiative.

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains, among other things,
- whether the company has made a specific budget available for this purpose.

Requirement 4.D	**The company initiates development projects that facilitate reductions in CO_2 in the sector.**
L	Objective: The company takes on a leading role in the development and announcement of new measures for far-reaching energy or CO_2 reduction in the sector

4.D.1. The company can demonstrate that it has initiated development projects that make it easier for the sector to reduce CO_2 when carrying out projects, by linking its name to the initiatives through publications and through the affirmation of co-initiators.

Score guideline
Yes (20), No (0)

Clarification
The activities of a *development project* must:
- aim at reducing one of the most material CO_2 emissions in scope 1, 2 or 3
- aim at developing another (or improved) product, service or work process for the own company
- to lead to innovative measures. If the company is active in an activity for which a *list of measures* is available, the development projects should be geared to the development of new measures for category C, ambitious measures, of this list of measures.

> Example
> Joint activities with the participants of the sector can include, for instance, exploration, the transfer of knowledge, tests with a test set-up, practical demonstrations and way of making the application cheaper or sharing risks. This can also include open source facilities and crowd funding.

At least one development project should be geared to a measure that can be taken in a project for which award advantage has been obtained.

The measures do not actually have to be executed by the initiator at the same time in the projects (although this can clearly have added value for some development projects). Free riding with the execution of a paid commissioned project of a client is possible. Meetings, deliberations on content etc. about the organization of the development project or the contents of the action plan do not count as activities within the sense of 1a (see below), but are part of the initiative.

Development projects should in principle lead to the addition of a measure to category C within a period of maximum three years, which is new in the sector. This period can be diverted from on the basis of content.
The basic principle is one initiator per development project; the rest of the parties are active participant (level 3) or passive participant (level 2). More initiators are possible under certain conditions (see below). The company should indicate how other companies can be actively or passively involved in this initiative as part of their obligations.

The *initiative* consists of:
- launching the development project,
- getting it up and running by means of:
  - gathering participants, and
  - defining the measure the project is geared to,
  - getting at least one activity going.
- and during the execution:
  - ensuring that the requirements are continually fulfilled in order to count as a development project, and
  - maintaining the initiative in order to bring the development project to a good end as soon as possible.

In the event a development project has one initiator, the following must be fulfilled:
1. An action plan can be submitted with the following components:
   a) defining the measure the project is geared to,
   b) a description of the intended activities,
   c) intended number and target group of the active participants,
   d) a substantiated estimate of the expected reduction the measure can provide in the company,
   e) a forecast of the reduction in sector-wide application of the initiative. If there is great uncertainty, the forecast is given a range,
   f) and a time planning for 1a and 1c,
   g) an estimation of the contributions that are expected of active participants in this matter,
   h) the same as e, for passive participants,
   i) the required budget,
   j) the required expertise,
   k) the necessary remaining assets, that are decisive for the development project to succeed,
   l) Method of communicating about the project, for the duration of as well as after the project.

Two or more companies can each be initiator as long as, besides point 1, the following points 2 and 3 are also fulfilled:
2. All initiators can submit a substantiated project plan, which is an addition to the project plans per company. The joint project plan in any case comprises the following elements:
   a) a substantiation of the choice to jointly initiate the project,
   b) The specific input of each of the initiators of the project.
3. It can be determined for each of the initiators that it
   a) comes from a different corporate group, and
   b) has a certificate at level 4 or 5, and
   c) submits a declaration:
      I. why the company is not capable of taking the initiative as the sole initiator and which specific contributions from the other initiators cannot be done without

(confirmation from co-initiators);

II. This declaration must be signed by the company's accountant.

The initiator or initiators must *regularly* (every six months) make the development project known through publication about aspects 1a through 1e and their *progress.* In the event of more than one initiator, each publication must also provide insight into point 3.c.I.
These publications must take place in an independently published professional journal or sector-wide magazine (paper or digital) that discusses the normal sector activities (not only sustainability). In every publication, the company names of the initiators must be prominently connected with the initiative. The two most recent publications and the action plan under 1 must be placed on the internet site without interruption, in accordance with Compulsory Internet Publication (see §6.1.3).

For development projects there is sufficient *progress* as long as the company can substantiate that the objective to add a new measure to list C of the list of measures within the deadline remains feasible. If this list is not available, the company must substantiate that the project can lead to a new measure within the deadline. A lack of progress may not last longer than six months at the time of the ladder assessment.

A development project is a success and therefore de facto completed when the company has made a publication about the measure available to the SKAO. This document must be detailed so other companies from the sector can implement the measure on the basis of this document. If the list of measures is available and the measure is sufficiently relevant, the SKAO adds the measure to category C of the list of measures on the basis of this publication.

After completing a development project, the company should undertake a new initiative in the short term in order to demonstrate with certainty for the annual ladder assessment that the company is an initiator (see previous page).

For the performance of passive and active participants, see requirements 2.D and 3.D respectively.

Ladder assessment by the ladder CI
For the initial ladder assessment of a new initiative, the ladder CI ascertains whether, among other things,

- the activities of the development project aim at reducing one of the most material CO_2 emissions in scope 1, 2 or 3,
- at least one development project should be geared to a measure that can be taken in a project for which award advantage has been obtained
- the activities of the project aim at developing another (or improved) product, service or work process for the own company
- the activities of the project can lead to new measures aimed at further-reaching energy or CO_2 reduction in the sector and/or the value chain
- the action plan meets the requirements under 1, and
- (for more than one initiator) whether the approach plan meets requirements 1, 2 and 3 (including the declaration under 3c of the company to be certified), and
- the development project has been set in motion.

For the ladder assessment of a current initiative, the ladder CI ascertains that, among other things,

- whether there is demonstrable *progress* of the activities in the development project
- whether there are still learning effects for the participants (acquiring knowledge)
- whether the project can actually lead to a new measure within the deadline that is available for the sector, and
- the publications are satisfactory.

Compulsory Internet Publication
The company publishes, at least every three years after an initial ladder assessment, and after reassessment one document with the development project's name, the approach plan and the co-initiators on the SKAO website. The company also publishes this document on the company website as well as the name of the development project and co-initiators. If a development project has been completed or ended in the meantime, and the company has taken the initiative for a new or other development project, than this needs to be replaced. Not, not always or untimely publication leads to a deduction of six points.

Please note: In the explanation of requirement 4.D.1 the required information about the *regular* six-monthly publication that generates familiarity is also requested (such as publication in specialist journals, etc.) (see above).

4.D.2 The company has made a specific budget available for this purpose.

Score guideline
Yes (5), No (0)

Clarification
The budget must suffice for the execution of the development project and be released for the entire planned duration of the development project.

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains, among other things,
- whether the company has made a specific budget available for this purpose.

Requirement 5.D	The company takes an active part in setting up a sector-wide CO_2 emissions reduction programme in collaboration with the government or NGO.
L	Objective: The company succeeds in, or has made an effort for a specific period and in different ways to urge other companies in the sector to implement favourable energy or CO_2 reduction measures

5.D.1 The company can demonstrate that it is actively involved in setting up a sector-wide CO_2 emissions reduction programme in collaboration with the government and/or an NGO, and that it makes a relevant contribution to it in the execution of projects.

Score guideline
Yes (5), No (0)

Clarification
A *sector-wide CO_2 emission reduction programme* under requirement 5.D must focus on the *implementation* of specific measures with proven CO_2 reduction in other companies in the sector or value chain. These can be measures that are already implemented in some of the companies and are expected to be taken by most certified companies over the next few years. These can also be ambitious measures that (for instance, as part of the ladder) are developed by companies (for requirement 4.D) that can result in a major extra reduction in the sector.
If the *measure list* is available in the framework of the CO_2 Performance Ladder, the programme should focus on measures in the list of categories B or C.
The company can also ask the SKAO to add a measure to the list of measures.
A 5.D programme must meet the following criteria:
- The company must demonstrably use the measure in the execution of its projects.
- The programme must have an action plan that includes the following:

a) a description of the measure the project is geared to,
b) a quantitative estimate of the savings potential of the specific measure and the total reduction in the sector that is intended with the programme,
c) a motivation of the reasons why the broad implementation of the measure requires additional action and which action this concerns,
d) a target group of companies that should implement the measure plus an action plan to effectively reach this target group,
e) a quantitatively formulated result of the project,
f) time planning for the project,
g) the required budget,
h) availability of the required expertise.

- The duration of a project is maximum three years. The *progress* of the project must be reported at least once a year.
- In the cooperation with a local authority and/or *NGO* the company addresses these parties about the possibilities they have to increase the project's impact.

Trade associations can also play an active part in the implementation of 5.D programmes. A trade association can provide a contribution to several 5.D programmes simultaneously. This is why a trade association can also be considered as a NGO for this requirement.

Ladder assessment by the ladder CI
For the initial ladder assessment, the ladder CI ascertains whether, among other things:
- the mentioned criteria a to d have been met and
- whether the project has actually started.

For the annual ladder assessment, the ladder CI ascertains, among other things,
- whether progress is booked in setting up the programme,
- whether a motivation of the reasons why the broad implementation of the measure requires additional action and which action this concerns are still relevant, and
- whether the quantitative objective of the project remains within reach
- and the company is actively involved in the current phase through its stimulating, steering and facilitating role.

5.D.2 The company has made a specific budget available for this purpose.

Score guideline
Yes (5), No (0)

Clarification
The budget must be released for the whole current phase of the reduction programme; phases can be: setting up; research and development; implementation/roll out in the sector.

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains, among other things,
- whether the company has made a specific budget available for this purpose.

5.D.3 The company is the owner/developer of documents that indicate that:
1. at least two or more of these documents have been drawn up by the company.
2. at least one governmental body and/or at least one NGO and at least two other companies are involved in the reduction programme.
3. that minimum and time-related reduction requirements have been laid down in the programme in absolute or a relative sense.

Score guideline
5.D.3-1 Yes (5), No (0)
5.D.3-2: Yes (5), No (0)
5.D.3-3: Yes (5), No (0)

Ladder assessment by the ladder CI
For the ladder assessment the Ladder CI ascertains that, among other things,

- at least two of these documents have been drawn up by the company,
- that at least one government body and/or at least one NGO, and at least two other companies are involved in the reduction programme,
- that the programme is subject to minimum and time-related reduction requirements, in absolute or relative terms.

Compulsory Internet Publication
The company publishes, at least once every three years after an initial ladder assessment and after reassessment, one or more documents on the SKAO website and on the company website that indicate the following:

- at least two of these documents have been drawn up by the company,
- that at least one government body and/or at least one NGO, and at least two other companies are involved in the reduction programme,
- that the programme is subject to minimum and time-related reduction requirements, in absolute or relative terms.

The company also publishes the name of the sector-wide CO_2 emission reduction programme, including a short description, the (co-) initiators and the (reduction) objectives on its website. If the *sector-wide CO_2 emission reduction programme* no longer suffices, and the company is involved in setting up a new or different sector-wide CO_2 emission reduction programme then this information must be replaced. Not, not always or untimely publication leads to a deduction of six points.

Certification in accordance with the CO_2 Performance Ladder

7

7. Certification in accordance with the CO_2 Performance Ladder

This chapter goes into the method of certification in accordance with the CO_2 Performance Ladder. The method of certification should include, among others things, which competencies a *Ladder CI* and the auditors need to meet, which type of ladder assessments the CO_2 Performance Ladder distinguishes, when a *CO_2 Awareness Certificate* is awarded and what the certificate looks like. §7.2 explains when and how Ladder CI's carry out a random check. Finally, the *verification* in accordance with the CO_2 Performance Ladder is described in §7.3.

7.1 Certification in accordance with the CO_2 Performance Ladder

7.1.1 Competencies of Ladder Certifying Organization and its auditors

A Ladder Certifying Organization (Ladder CI) is a conformity assessing institute that has authorization from the *SKAO* to perform an *audit* (*ladder assessment*) if the ladder CI has been accredited by the Dutch Accreditation Council or equivalent by a different accreditation organization with which the Accreditation Council has entered into a Multi Lateral Agreement MLA. An overview of the accredited Ladder CIs is available on the website of the Dutch Accreditation Council and the SKAO.

Requirements of Ladder CIs

In order to be accredited for the execution of certification activities, a Ladder CI must meet ISO 17021– Conformity assessment – requirements for organizations that carry out audits and certification of management systems (also see the Specific Accreditation Protocol CO_2 Performance Ladder for Ladder CIs on the website of the Dutch Accreditation Council (RvA)).
Additional conditions for all Ladder CIs have been included in the (preliminary) agreement with the SKAO.

Requirements of auditors

With regard to the auditors to be involved, see Chapter 7 of ISO 17021. Auditors the Ladder CI has involved need to meet the following auditing capacities in addition to the necessary competency requirements:

- demonstrable knowledge of ISO 14064 (part 1 and 3), ISO 50001 and of the GHG Protocol (see Chapter 2, normative references)
- demonstrable knowledge of the CO_2 Performance Ladder.

Courses and/or training can be organised internally as well as externally. The duration of initial training must be at least 12 hours per above-mentioned bullet point of which (per aspect) maximum four hours are allowed to be self-study. Before an auditor can be declared "competent" by a Ladder CI, a competency assessment should be carried out in practice (see ISO 17021, §7.2.7).

New Ladder CIs

The following applies to new Ladder CIs: if the Dutch Accreditation Council has indicated that the application of a candidate CI is complete, the candidate CI must report to the SKAO. The SKAO arranges the preliminary agreement further. Once the Ladder CI has been accredited by the Dutch Accreditation Council for the CO_2 Performance Ladder, the Ladder CI must report to the SKAO to conclude the definitive agreement.[31]

7.1.2 The ladder assessment

A certification or audit in accordance with the CO_2 Performance Ladder is called a ladder assessment. After a successful ladder assessment, the *company* receives a CO_2 Awareness Certificate (see §7.1.3).

[31] The agreement arranges the mutual rights and obligations of the SKAO and Ladder CI, such as witnessing, passing on audit plans and issued certificates and payments.

The CO_2 Performance Ladder distinguishes an initial and annual ladder assessment and a reassessment.

- **Initial ladder assessment (ISO 17021, §9.2)**
  assessment is the ladder assessment performed by a Ladder CI for a company which forms the basis for a CO_2 Awareness Certificate being issued at a new level. This can be the start-up level (e.g. level 3) but also an upgrade to a higher level (e.g. from level 3 to level 4 or 5) (see §7.1.3, Validity of the CO_2 Awareness Certificate).
  If the company assumes it will ascend the CO_2 Performance Ladder, is free to request a new ladder assessment at any time from the Ladder CI.
- **Annual ladder assessment (ISO 17021, §9.3)**
  With an annual ladder assessment the ladder CI tests whether the established level is still applicable. The annual ladder assessment (comprises all requirements) takes place in the year after the initial ladder assessment. In accordance with ISO 17021 (§9.3.2.2.), the annual assessment usually takes place within 12 months after the initial ladder assessment. This annual ladder assessment is followed by a new annual ladder assessment 24 months after the initial ladder assessment (also see §7.1.3).
- **Reassessment (ISO 17021, §9.4)**
  A reassessment is the ladder assessment 3 years after the initial ladder assessment, whereby the level of certification has remained unchanged and which forms the basis of a CO_2 Awareness Certificate being issued at the same level.

Special audit (ISO 17021, §9.5)
A Ladder CI should carry out an extra intermediary assessment if:

- the Ladder CI has in the meantime been informed by the SKAO or another (concerned) party has been informed about major shortcomings,
- there are signals giving the Ladder CI a cause to doubt the proper functioning of the CO_2 management system.

A special audit does not always have to be carried out at the location of the certified organisation. The Ladder CI may come to an assessment by requesting relevant information.

Ladder assessment within three months
For a ladder assessment, all underlying levels need to be included. The ladder CI may make exceptions if less than three months have passed since its last ladder assessment and there is no reason to assume that the requirements and/or their implementation have changed, leaving aside immaterial obvious modifications. This does not change the duration of the certificate (see §7.1.3).

Explanation of the ladder assessment
Each company that wants to (re)certify itself for a specific ladder level, evaluates the functioning of the CO_2 Performance Ladder in its *company* and its CO_2 performances on the basis of the audit checklists. If a company believes that it has reached a certain level of (*self-evaluation*), the proof will be compiled in a portfolio and presented to a Ladder CI for assessment.

For each ladder assessment, the Ladder CI checks:

- the organizational boundary (§4.1) and *company size* (§4.2) of the company, and
- whether the company meets the general requirements(§6.1), and
- the requirements of the *audit checklist* (§6.2).

The ladder assessment follows the rules as laid down in ISO 17021 (Chapter 9).

- The Ladder CI must draw up a written report of each audit in accordance with ISO 17021 (§9.1.10). The report must be drawn up in such a way that there is enough information later on to be able to justify the chosen procedure (for instance, in case of objections/appeals).
- The Ladder CI must keep an archive with information about the audits that have been carried out (ISO 17021 §9.9).

- When a ladder assessment is carried out by the Ladder CI, it must include at least one working visit by the ladder CI to the company location. A ladder assessment based solely on a desk review is inadequate and as such, unacceptable.

In addition, the Ladder CI must comply with the following regulations:

a. During the (obligatory) opening meeting, the following at least will be emphasized by the Ladder CI:
   - During the ladder assessment the Ladder CI does not make known any points;
   - The results of the ladder assessment will first be subjected by the CI to an independent technical review before the final conclusion is released to the company is released to the company;
   - The ladder CI and SKAO have a complaints procedure.
b. During the ladder assessment, the auditor names (if relevant) the deviations with regard to a requirement with the possible *deviations* with regard to a requirement with the possible consequences, the necessity of extra information or documents, proof, but not the number of missed or assigned points per requirement;
c. A work visit (of the ladder assessment) must be carried out by at least two auditors for large companies on level 4 and/or 5;
d. During the close-out meeting, the auditor does not commit himself on the level achieved and emphasizes that an independent technical review is still to come;

The role of the objective per requirement in the assessment
The objectives per requirement have a primary role in the *internal audit* and the *management assessment* of the company. Here the basis is formed for the assessment by the company whether the CO_2 Performance Ladder has actually been implemented in the company.
In the assessment by the Ladder CI meeting the requirements is leading in assigning points: the objectives per requirement cannot lead to an addition or deduction of extra points.
In case of doubt when carrying out the ladder assessment of an individual requirement, the Ladder CI can use the objectives per requirement as an aid in the interpretation of the requirement.

In case of doubt about the assessment of an individual requirement and in case of doubt about whether the CO_2 Performance Ladder actually functions in the company in accordance with the objectives, the Ladder CI can make further assessments in order to make a decision about the individual requirement.

Expert judgement when not fully meeting a requirement
The maximum (intermediate) score per requirement is indicated in §6.2 under the heading 'Score guideline'. The maximum score or maximum intermediate score can only be awarded if the criterion concerned has been fulfilled fully and demonstrably. If a criterion is only fulfilled partially, the ladder CI must award a (proportional) score that he believes corresponds to the degree to which fulfilment has been demonstrated. We apply linear interpolation, rounded off in whole points. For example, if on the basis of expert judgement (of the ladder CI) the requirements have been fulfilled for 40%, then 40% of the maximum score or maximum intermediate score is awarded.

About the role of an external advisor of the customers during the ladder assessment
If an external advisor speaks on behalf of the company during the ladder assessment, this is evidence that the company is not CO_2-aware. The role of the advisor must therefore be limited to the passive role of prompter during the ladder assessment. The company is the active spokesperson.

Subsequent arrangements and corrective measures
The company has maximum three months to take additional/*corrective measures* and/or provide missing documents. This is the case if during the ladder assessment *deviations* have been noted or insufficient points have been obtained to continue the existing level on the CO_2 Performance Ladder. If the company exceeds these three months in case of an *initial ladder assessment* a completely new initial ladder assessment needs to be carried out. When exceeding the three-month deadline for an

annual ladder assessment and *reassessment* the certificate is suspended and possibly a certificate is provided on the level where the company does meet the requirements.

7.1.3 The CO_2 Awareness Certificate

A *Ladder CI* awards CO_2 Awareness Certificate in case of a positive ladder assessment. A ladder assessment is positive when a *company* meets:

1. The general requirements of the CO_2 Performance Ladder (see §6.1), and
2. it meets the minimum requirements for Angles A, B, C and D of the relevant level, and the requirements of the lower-ranking levels (see §6.2), and
3. the sum of the weighted scores of a specific level is at least 90% of the maximum score[32].

The Ladder CI provides the company with the CO_2 Awareness Certificate. The SKAO receives a copy of the certificate. Also in case of changed information on the certificate such as a change of level, boundary, company size or version number, a new CO_2 Awareness Certificate is awarded (see text below). The Ladder CI informs the SKAO of all cases of terminated certificates.

Validity of the CO_2 Awareness Certificate

The company gets a (new) CO_2 Awareness Certificate at the first *initial ladder assessment* and at the *reassessment.* If the company assumes it will ascend on the CO_2 Performance Ladder, the company is free to request a new ladder assessment at any time from the ladder CI. This ladder assessment is regarded as an initial ladder assessment and is complete (unless within three months, see §7.1.2). The CO_2 Awareness certificate is valid for three years after the date of issue.

If there is an intermediate 'change to approval' or 'scope change', the validity of the CO_2 Awareness Certificate does not change. The *annual ladder assessment* will then be carried out 12 months after the initial ladder assessment at the latest.

In case of 'Change to Approval':

- Only the changed information on the CO_2 Awareness Certificate (and in the annexes) is adapted.
- The indicator date remains the first initial ladder assessment and the end date remains the same as the end date of the original CO_2 Awareness Certificate.
- Because this is a matter of a changed certificate, the certificate will get a different sequence/version number (after all, this needs to be a unique number).

There is at least a 'Change to Approval' in case of changes in:

- the level when developing within three months (see §7.1.2). When developing within three months after the previous ladder assessment, only the additional requirements will be assessed.
- the boundary. If the starting company remains the same, possibly only the certificate annex needs to be adapted.
- the *company size*. If the company size (see §4.2) (the company goes from *'large* to '*medium size' or* '*small'*, or from 'medium size' to 'small'), only this information will be adapted on the certificate.[33]
- the version of the certification scheme. The Ladder CI acts in accordance with the transition arrangement the SKAO lays down. If according to the transition regulation a completely new (initial) ladder assessment is necessary, a new certificate will follow with a duration of three years. In case of small changes, the transition arrangement may lay down that the 'upgrade' to new version can be carried out during a regular annual ladder assessment. The end date of the new certificate is then equal to the end date of the original CO_2Awareness Certificate.

[32] As an aid (for, among others, the self-evaluation) the SKAO published a calculation tool on its website (www.skao.nl/documenten).
[33] If the company becomes bigger (from 'small' to 'medium size' or 'big' or from 'medium size' to 'big'), there is an additional requirement from level 4 and 5 the company needs to meet and there can never be a Change to Approval.

Annual contribution to the SKAO

The CO_2 Awareness Certificate is not valid until the company hands over the required annual contribution to the *SKAO* (see §6.1.4 and www.skao.nl). The Ladder CI checks, before issuing a new certificate or a positive annual ladder assessment, whether the company has met its payment obligations towards the SKAO. A new certificate **cannot** be issued if the company cannot demonstrate that it has met its payment obligations.

In case of payment arrears, the SKAO has the right to remove the company page from the SKAO website. The result is that a positive annual ladder assessment is not feasible because the company does not meet the compulsory internet publication. The SKAO will inform the Ladder CI in question about this.

Layout CO_2 Awareness Certificate

In the layout of the certificate, ISO 17021 §8.2.3 is guiding. In addition to this, the SKAO includes:

1. The name of the certificate is: **'CO_2 Awareness Certificate level N'**, whereby **N** can have the value 1, 2, 3, 4 or 5. A certificate indicates the highest level that has been achieved and the date on which it was issued. Below this is says:
   "The management system for CO_2-awareness action in the business operations of company X[34] meets level Y[35] of the CO_2 Performance Ladder Handbook version Z.Z.[36]"
2. Each certificate is a unique document with a unique number, preferably the size of one A4, with a unique number. The number is issued by the ladder CI. If relevant, the certificate mentions a reference to an annex.
3. The certificate shows at least:
   I. The legal name and the number of the registration at the Chamber of Commerce of the certified organization and a description of the contents of the "organizational boundary" (see comment below);
   II. The name of the Ladder CI;
   III. The name and signature of the authorized representative/qualified employee of the ladder CI;
   IV. The expiry date of the certificate.
   V. Indication of the *company size* (in accordance with §4.2): small, medium size or large;
   VI. A description of the scopes of certification (also of the products or services in question and the activities (processes) that apply to the company), including an indication of the NACE code (see remark 1 below).
4. It must be clear to everyone that a branch certificate is not an isolated certificate and cannot be seen separately from the main certificate.
   If a branch certificate is issued for part of a branch that comes under a main certificate, it should be mentioned on this branch certificate which main certificate this belongs to (by mentioning the name of the main certificate plus the certificate number). If a branch certificate is issued for part of a branch that comes under a main certificate, this should be explicitly mentioned on the main certificate under the description of the organizational boundary ("*name legal entity*- branch certificate of *name main certificate*").
   Only CO_2-awareness main certificates are mentioned on the website of SKAO.

Comment on the organizational boundary:

1. The companies that are part of the organizational boundary must be stated on the certificate, indicating the name of the legal entity as filed in the register of the Chamber of Commerce. Trade names are not permitted. In addition, per legal entity, belonging to the boundary, the NACE code must also be mentioned (in such detail that the activities of the entity become clear). However, the boundary is leading for the ladder assessment, not the scope.

[34] Referring to the organizational boundary stated on the Certificate, as indicated in the Handbook.
[35] 1 through 5 is filled in here.
[36] Fill in correct version

2. If necessary, an annexe can be appended to the certificate. This annexe must be attached to the certificate.
3. Incorrect declaration of the legal entity of a company results in the company not being able to claim the notional discount on tender.

7.1.4 Certificate takeover by another ladder CI

It is possible that an organization or company and/or the ladder certifying organization decide to terminate the certification agreement. The organization is thereafter free to commission another ladder CI. If this happens within a year after termination, this is called certificate takeover.

A company may not have two certificates at the same time.
The ladder CI who takes over the certificate must have a full picture of the previous ladder assessments. Therefore, when taking over a certificate, the following regulations apply:

a. The company requests the ladder CI with whom the certification agreement is terminated, to send all relevant reports of ladder assessments performed (of the past three years) within 10 working days directly to the new ladder CI so the latter can already obtain a full picture in the pre-contract phase.
b. Regardless of the situation or applicable level, with a certificate takeover, the new ladder CI must perform a full ladder assessment. This concerns an initial ladder assessment.
c. In the event of takeover, the new ladder CI notifies the SKAO explicitly of the certificate takeover. In the event of takeover, the old ladder CI cancels its certificate explicitly with the SKAO.

7.1.5 Harmonisation

Further interpretation of the requirements is discussed for harmonisation (possibly anonymous) in the Technical Committee meetings. The SKAO has published a procedure on its website for setting the agenda of harmonisation subjects and taking harmonisation instruments (www.skao.nl/documenten). If a company does not agree with the interpretation of a requirement by the Ladder CI, the company can ask its Ladder CI to set the agenda to discuss the difference in interpretation for the next Technical Committee meeting.

Status harmonisation instruments
Harmonisation matters are discussed in the Technical Committee (TC) or during Harmonisation meetings. A harmonisation instrument is a product of the TC, and will be submitted to the Central Board of Experts. Laid down harmonisation instruments are published on the website of the SKAO 10 days after determination by the Central Board of Experts at the latest. Harmonisation instruments are binding (normative) and apply after publication on the SKAO website (www.skao.nl/harmonisatiebesluiten).

7.1.6 Clarification of attendance

Guaranteeing the quality (through, among other things, attendance) of the executed ladder assessments is the task of the Dutch Accreditation Council.

The SKAO can decide to attend CO_2 Performance Ladder assessments on level 3, 4 and 5 to assess whether the certification scheme works and is effective. During the attendance the SKAO fulfils the role of observer. This means that the SKAO cannot intervene in the Ladder CI's ladder assessment. This does not stop the SKAO from regularly exchanging additional information, asking additional explanation, etc. with the auditors of the Ladder CI.
Take note! These interventions can only take place outside of the presence of the company concerned in the audit.
Significant Nonconformities the SKAO notices during the attendance, may be passed on to the Dutch Accreditation Council.

Preparation of attendance
The SKAO informs the Ladder CI at least 10 weekdays before the *audit* whether and who is making use of the attendance opportunity. The ladder CI is responsible for suitable appointments with the company to be certified.
In preparation, the Ladder CI must, at least five weekdays in advance, provide the SKAO with the following information:

- a clear description of the organizational boundary of the company;
- an audit plan drawn up by the ladder CI (only the main outlines: which actions, who, when, where);
- information on the auditors deployed by the ladder CI (stating/indicating the lead auditor and auditor if applicable);
- additional logistical information related to the audit (date and location of the audit).

The SKAO approaches the company itself for information and the *portfolio* with available documents. The SKAO will treat any information provided for the benefit of attendance as confidential.

7.2 Explanation of the random test

What the random tests relate to
In order to assess at any rate the following six requirements, the ladder CI must take a random selection from the *projects for which CO_2-related award advantage* has been obtained. The instruction below applies to these random tests.

Requirement 1.A.1: Identification and analysis of energy flows
Requirement 2.A.1: All energy flows identified
Requirement 2.B.4: Reduction objective endorsed
Requirement 3.B.1: Quantitative reduction objective scope 1 and 2
Requirement 3.B.2: Energy management action plan, endorsed, etc.
Requirement 2.C.1: *Structural* internal communication about the energy policy.

For requirement 1.A. 1, the random test is limited to the new projects which the company has acquired since the previous ladder assessment. Only for requirement 2.C.1 can the assessment possibly require a visit to 1 or 2 locations of projects.
The other random tests are taken in the customary manner applicable to the relevant type of assessment.

Taking and using the random test

1. The *company* draws up a list of the projects for which CO_2-related award advantage has been obtained. This includes the following categories:[37]
    a. the projects started since the previous ladder assessment, and
    b. the projects current in the period to be assessed, and
    c. the projects completed since the previous ladder assessment.

For each project, the company indicates:

- the category – a, b or c – to which it belongs;
- the date of award and the expected delivery date;
- the location of the project;
- any combination members with whom the project is being executed;
- and (the share of the company in) the price for which the order was awarded.

2. A sequence number is issued to each of these projects. Prior to the ladder assessment, the company sends this list to the ladder CI.
3. The ladder CI determines the required size (N) of the random test on the basis of the total number (P) of projects on the list, in accordance with the appended table. (see Table 7.1). If the

[37] Analogous to the explanation of requirement 1.A.3. For concepts regarding projects and the *stages of projects*, see Chapter 3

number of projects (P) is more than 20, the maximum random test size (N) is 7.

4. The ladder CI selects by lot, or on the basis of common sense, one time no less and no more sequences numbers than exactly correspond with the required size of the random test. It is irrelevant whether projects were already part of a random selection in a previous ladder assessment.
5. For requirement 1.A.1, the ladder CI ascertains which of the numbers belong to category A; they form the random selection for requirement 1.A.1.
6. If a visit to the locations of projects is necessary in accordance with the criteria for requirement 2.C.1, the ladder CI selects one or two sequence numbers from the random selection. Two locations implies two different projects.
7. The Ladder CI informs the company of: the number of projects under 3, the number of projects under 5, and the number of required visits to locations of projects under 6 (the number, so not any information about the projects themselves that are part of the random selection).
8. The ladder CI visits locations of projects in principle in consultation with the company. However, the ladder CI reserves the right to arrive unannounced at a project location.
9. No earlier than at the start of the company visit which is part of the ladder assessment, does the ladder CI inform the company of the sequence numbers making up the random tests under 4 and 5 (so not the selected sequence numbers under 6).
10. The performance observed during the ladder assessment in and for all projects that are part of the random selection under 4 and 5 (and the selection under 6) must, without exception, continue to be part of the performance for which assessments, scores and the like are assigned and cannot be compensated by performance in and for projects that are not part of these random tests (respectively selections).

Table 7.1. Random selection size for projects with CO_2-related award advantage

P	N		P	N		P	N		P	N	
1	1		6	3		11	5		16	5	
2	2		7	4		12	5		17	6	
3	3		8	4		13	5		18	6	
4	3		9	4		14	5		19	6	
5	3		10	5		15	5		≥20	7	

7.3 Verification in accordance with the CO_2 Performance Ladder

Agencies and staff who may verify an emissions inventory are those who are accredited in accordance with ISO 14065 and/or accredited by the Accreditation Council for performing emission verifications in the scope of the European Emissions Trading Scheme (EU-ETS). In addition, agencies may also verify emission inventories, if they have been authorised for this by the *SKAO*[38].

Verification declaration

After completing a *verification* (in accordance with ISO 14064-3) of the *CO_2 emission inventory* (drawn up in accordance with ISO 14064-1, §7.3.1) the verifier must issue a verification declaration. This declaration must at least fulfil the requirements as specified in ISO 14064-3 §4.9 under 'Validation and verification statement'.

Validity of a verification declaration[39]

The verification of an emission inventory of a specific year remains valid for the CO_2 Performance Ladder up to maximum 15 calendar months (one year plus three calendar months) after this year has ended. An inventory year consists in this case of 12 consecutive calendar months. For exceptions, see the explanation with requirement 3.A.2.

[38] Transition arrangement: Until the verification of an emission inventory of CO_2 Performance Ladder requirement 3.A.2 comes under accreditation of the Dutch Accreditation Council, parties that have been authorized by the SKAO or by its predecessor may verify emission inventories.

[39] This text is valid until the verification is also under accreditation of the Dutch Accreditation Council, and there is a scope extension.

Colophon

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