The Biscay Model: Summary contribution areas by UCL Institute for Innovation and Public Purpose

August 2021

Written by

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## About the Institute for Innovation and Public Purpose

The mission of the UCL Institute for Innovation and Public Purpose (IIPP) is to change how public value is imagined, practised and evaluated in order to tackle societal challenges. The Institute encourages economic growth that is innovation-led, sustainable and inclusive.

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# 1. The Biscay Model: Summary contribution areas

The Biscay Model is a path-breaking approach to bringing together tax policy and sustainability. The model provides a recommendation from the UCL Institute for Innovation and Public Purpose for aligning regional tax policy with the 2015 United Nations (UN) Sustainable Development Goals (SDGs). This model was introduced in a Concept Note[1].

This paper develops the 28 contribution areas (CAs) presented in the Concept Note to a stage prepared for the consultation and testing phase.

## 2. About the contribution areas

The Concept Note laid out the rationale and design for a composite index approach, hereafter the Biscay Model, a recommended approach to support the Biscay tax authorities to compare contributions to the SDGs across participating organisations and provide tax incentives accordingly.

The proposed index is composed of 28 CAs, designed to recognise different contribution levels (awareness, action and achievement) within each CA. Three regional strategic priorities group these CAs: demographic change, climate emergency and economic resilience, linked to ten focal SDGs. Their development was based on the following principles:

- relevant to advancing regional priorities;
- central to the SDGs;
- reportable/measurable by micro and small enterprises;
- based on recognised standards; and
- applicable to multiple sectors.

For this model, in addition to identifying relevant CAs through reference to the UN Global CompactÕs Global Reporting Initiative and that of other reporting initiatives, certain CAs have been

## 3. Measurement and scoring

A company will be ÔscoredÕ and awarded points for its contribution to the SDGs in reference to three levels of effort: awareness, action and achievement.

Firstly, if a company discloses the required information for the respective CA in that year, it has fulfilled the requirements for ÔawarenessÕ and scores one point. If the companyÕs report shows progress towards a target and this progress meets a defined threshold for ÔactionÕ, this would be awarded a greater number of points, two points. In some cases, the reported performance will meet the target for ÔachievementÕ and this would be awarded three points. We have used 0,1,2,3 throughout as an example the actual weighting used could be different e.g. 0,2,3,5 and could change over time as the relative importance changes.

Table 1 Scoring system

| Comment | Points |
|---|---|
| Achievement: Reporting and already met or exceeded the 2030 target | 3 |
| Action: Reporting and improving towards the 2030 target | 2 |
| Awareness: Reporting and no or insufficient action towards target | 1 |
| Insufficient reporting | 0 |

Table 2: Types of measurement and scoring

| Measurement | Scoring | Explanation |
| --- | --- | --- |
| Activity/plans (quantity) - e.g. has identified an Equality & Diversity champion at board level | # of actions or plans | |

We developed the model with the following assumptions: 2021 as the first year of operation; 2030 as the final year mapped out; and the base or reference year being 2020. If the model is adopted later than planned, then these time periods should be adjusted.

The model has been designed to encourage progression and continuous improvement and to avoid ÔrewardingÕ a company for current performance, so regardless of the starting point (low), a company can be encouraged to improve. However, for most of the CAs, suitable performance improvement levels e.g. % increase over the prior year (or to a base year) have been difficult to set to cover all possible companies over all years. Hence, most CAs have performance thresholds set either over 3 time periods (2021-2024; 2025-2027; 2028-2030) or over 10 time periods (2021, 2022, É., 2030).

The model should evolve along with company performance. In some areas we are suggesting that the threshold is set low to start with, for example, Òyes/no to having a policy or plan in placeÓ; this is partly due to limited information about actual company performance; and partly to enable companies to engage from the start. We envisage that, over time, as company sophistication evolves and as certification expertise is developed, the requirements evolve too.

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## 4. The 28 contribution areas

Each CA is summarised in the

| Ref | CA | SDG | Measurement | Scoring method |
|---|---|---|---|---|
| 4f | Professional development | 4 - | | |

| Ref | CA | SDG | Measurement | Scoring method |
|---|---|---|---|---|
| 6a | Entrepreneurship | 8 - Sustainable growth | % SDG investing or staff policy | % reached (3 periods) or Yes/No |
| 6b | Innovation | 8 - Sustainable growth | SDG R&D % | % reached (3 periods) |
| 6c | Collaboration and strategic alliances | 8 - Sustainable growth | # partnerships | # reached (3 periods) |
| 6d | Talent | 8 - Sustainable growth | # actions | # of actions (3 periods) |
| 6e | Private financing | 9 - Sustainable industrialisation | SDG invested /sales % | % reached (3 periods) |
| $%& | '( | )*+ | ,%-./0%1%23 | )450627#1%3859 |
| 6f | Financing by the financial sector | 9 - Sustainable industrialisation | SDG invested % | % reached (3 periods) |
| 6g | Structuring of productive investments | 9 - Sustainable industrialisation | SDG invested % | % reached (3 periods) |
| 6h | Digital economy | 9 - Sustainable industrialisation | # changes to digital business | # reached (3 periods) |
| 6i | Resilience of economic activity | 9 - Sustainable industrialisation | New or diversified activities | Yes/No |

| Ref | CA | SDG | Measurement | Scoring method |
|---|---|---|---|---|
| 6j | Small trade and fair trade | 9 - Sustainable industrialisation | % of supplies | % change from base year (3 periods) and ratio reached |
| 6k | Access to housing | 11 - Sustainable cities and communities | % void properties or actions | % change from base year (3 periods) and ratio reached or # of actions (3 periods) |
| 6l | Development of infrastructures for the promotion of productive activity | 11 - Sustainable cities and communities | % invested in productive infrastructure | % reached (3 periods) |

*12 - SCP = 12 - Sustainable consumption and production

3 periods = there are three thresholds each covering one of three time periods (2021-2024; 2025-2027; 2028-2030)
10 periods = as above but each year has its own threshold (2021, 2022É.2030)

5. Next phase: Consultation and testing

# 6. Appendices

## Appendix 1. Summary of CA dossier contents

Key
Assessment = how the entity will be assessed for this contribution area.
Metric = the measurement method and information (or data) used to assess.
Scoring = the performance level that the entity must attain in order to score points on the index.
Reporting = the minimum information that should be disclosed in the annual report to government (or other mechanism) to enable the score to be calculated. Note that this does not include any additional data that might be required for comparative analysis or verification.

Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | What is being assessed?<br><br>What is the performance metric? |
| Scoring | Awareness (1 point) |

!" #

#

| | |
|---|---|
| | ! # during the period 2021-2024: at least two plans in place<br>! # during the period 2025-2027: at least three plans in place<br>! # during the period 2028-2030: at least four plans in place<br><br>Achievement<br>The entity discloses the required information (see reporting) and it has:<br>! # five plans in place |
| Reporting | The entity discloses<br>! # number of subarea plans it has in place, even if the number is zero |
| Definitions | Active lifestyle plan<br>Existence of an active lifestyle plan. The active lifestyle plan defines the strategies for promoting an active life, such as sports and active ways for commuting. Examples of measures to be taken by entities: agreements with sports centres, benefits for cycling to work or promotion of sports activities within the companies. Additionally, it needs to satisfy the requirements set out in plan requirements.<br><br>Business model plan<br>Existence of a business model plan. The business model plan defines the strategies for having a business model that promotes consumersÕ health and wellbeing, and reduces the negative environmental impact on people's health. Examples of measures to be taken by entities: reviewing and redesigning its business model with the aim of contributing to consumer health and environmental care: type of material used, energy used, or CO2 emissions released. Additionally, it needs to satisfy the requirements set out in plan requirements.<br><br>Healthy eating plan<br>Existence of a healthy eating plan. The healthy eating plan defines the strategies for promoting access to healthy food within the company. Examples of measures to be taken by entities: healthy menu options or vending machines with healthy products. |

# Appendix 3. Flexible and supportive workplace (4b)

Contribution area 4b
Flexible and supportive workplace
SDG3 - Health

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | The entity has established a plan in these subareas, meeting the criteria set out in the definition:<br>! # Subarea 1. Work-life balance plan<br>! # Subarea 2. Career opportunities plan<br>! # Subarea 3. Child and elderly care plan<br>! # Subarea 4. Pre-born or newborn children plan<br><br>Metric<br>Total number of subarea plans in place. |
| Scoring | Awareness<br>The entity discloses the required information in its repors |

! # during the period 2025-2027: at least two plans in place

! # during the period 2028-2030: at least three plans in place

Achievement

The entity discloses the required information in its reporting

# Appendix 4. Quality employment (4c)

Contribution area 4c
Quality employment
SDG3 - Health

Key
See appendix 1for key.
Note that termsunderlined are defined in the ÔdefinitionsÕ section.

Assessment

| | |
|---|---|
| | Divided by<br>!# Total number of recruited employees that year. |
| Scoring | The entity can select one of these two areas to be assessed on:<br><br>**1** |

Achievement

| | |
|---|---|
| Medium entities | < ! 50 mill. | < 250 |
| Large entities | > ! 50 mill. | > 250 |

Paid internships

As defined by existing legislation, considering its requirements. Inclusion of different types of internships defined in the law - that consider monetary remuneration.

Recruitment

New contracts registered during the year.

Recruitment percentage

! # Total number of recruited employees under 30 and over 45 years old that year, meeting specific recruitment requirements

Divided by

! # Total number of recruited employees that year

Recruitment requirements

- Open ended contracts
- Micro and small entities: full-time or part-time contracts
- Medium and large entities: full-time contracts

Increase in the recruitment percentage

= (Recruitment percentage current year) - (Recruitment percentage previous year)

For example:

- Recruitment percentage current year = 15%
- Recruitment percentage previous year = 10%
- % increase = (15% - 10%) = 5%

# Appendix 5. Provision for later years (4d)

Contribution area 4d
Provision for later years
SDG3 - Health

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | The entity has established a supplementary pension scheme for 100% of its employees, and it is invested in responsible investments.<br><br>Metric<br>Yes/No to the question - ÒDoes the entity have a supplementary pension scheme for 100% of its employees, and that is invested in responsible investments?Ó |
| Scoring | Awareness<br>The entity discloses the required information (see reporting) and:<br>1.# It has or does not have implemented a supplementary pension scheme, and<br>2.# If it has implemented the scheme, it covers less than 100% of the employees.<br><br>Action<br>The entity discloses the required information (see reporting) and:<br>1.# It has implemented a supplementary pension scheme, and |

'" #

#

| | |
|---|---|
| | 2.# The scheme covers 100% of the employees.<br><br>Achievement<br>The entity discloses the required information (see reporting) and:<br>1.# It has implemented a supplementary pension scheme, and<br>2.# The scheme covers 100% of the employees, and<br>3.# The scheme is invested in responsible investments. |
| Reporting | The entity discloses:<br>!# whether it has or has not implemented a supplementary pension scheme – Yes/ No<br>!# if it has implemented the scheme, it discloses |

# Appendix 6. Women in leadership (4e)

Contribution area 4e
Women in leadership
SDG5 - Equality

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

Assessment

Divided by

!# Total number of senior management personnel

Micro, small, medium and large entities

| | Income or assets | Employees |
|---|---|---|
| Micro entities | < 2 mill. | < 10 |
| Small entities | < 10 mill. | |

)( #

# Appendix 7. Professional development (4f)

Contribution area 4f
Professional development
SDG4 - Education

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

Assessment The entity has established a plan in these subareas, meeting the criteria set out in the definition:

! # Subarea 1. Mentoring plan

)! #

#

| | |
|---|---|
| | ! # during the period 2025-2027: at least two plans in place<br>! # during the period 2028-2030: at least three plans in place<br><br>Achievement<br>The entity discloses the required information (see reporting) and it has:<br>! # four plans in place |
| Reporting | The entity discloses:<br>! # number of subarea plans it has in place, even if the number is zero |
| Definitions | External networking plan |

| | |
|---|---|
| | Plan requirements<br>Existence of a detailed plan to encourage several actions within the entity in one specific subarea. It has to meet the following requirements:<br>- The measures or actions have to consider all employees when it is possible to apply it.<br>- Only actions that represent an improvement compared to the measures provided for the current legislation and the applicable collective agreement will be valued.<br>- The plan describes the objectives to be achieved and, at the same time, the strategy and activities that will be implemented to achieve them. Additionally, it contains the budget, the timetable of activities to be carried out, and the roles of the different actors involved in implementing the plan.<br><br>Training plan<br>Existence of a training plan. The training plan defines the strategies for developing employeesÕ skills and knowledge. For example, the company has a structured training programme for its employees. Additionally, it needs to satisfy the requirements set out in plan requirements. |

# Appendix 8. Quality education (4g)

Contribution area 4g
Quality education
SDG4 Ð Education

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | The entity has a qualifying partnership or collaboration(s) with an educational centre to promote quality education and training connected to the current and new economic and social needs.<br><br>Metric<br>Yes/No to the question - ÒDoes the entity have a qualifying partnership or collaboration(s) with an educational centre, meeting specific collaboration requirements depending on the entity size? Ó |

Scoring

)* #

#

! # the answer is ÔyesÕ to the question: ÒDoes the entity have a qualifying partnership or collaboration(s) with an educational centre, meeting specific collaboration requirements depending on the entity size?Ó Collaboration requirements depending on the entity size:

)$ #

# Appendix 9. Employment equality (4h)

Contribution area 4h
Employment equality
SDG5 - Equality

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | Gender wage gap<br><br>Metric<br>Gender wage gap percentage<br>! # Difference in mean hourly wages<br>Divided by<br>! # Mean hourly wages of men |
| Scoring | Awareness<br>The entity discloses the required information (see reporting) and is below the ÔactionÕ threshold for that year.<br><br>Action<br>The entity discloses the required information (see reporting) and:<br>! |

| | |
|---|---|
| | Achievement<br>The entity discloses the required information (see reporting) and:<br>! # gender wage gap percentage (absolute value) is less than 5% |
| Reporting | The entity discloses:<br>! # the resulting gender wage gap percentage even if zero or negative |
| Definitions | Difference in mean hourly wages[3]<br>Difference between average hourly earnings (excluding overtime) of men and women for each employee category<br>For an example calculation see Making your gender pay gap calculations[4]<br>step by step instructions on making each of the required gender pay gap calculations[4]<br><br>Employee category[5]<br>Breakdown of employees by level (such as senior management, middle management) and function (such as technical, administrative, production).<br><br>Gender wage gap percentage<br>! # Difference in mean hourly wages<br>Divided by<br>! # Mean hourly wages of men |

[3] Combination of GRI and ONS https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2020

[4] https://www.gov.uk/guidance/making-your-gender-pay-gap-calculations

[5] Taken from GRI

| | |
|---|---|
| | For example:<br>-# Mean hourly wages of men = 16 per hour<br>-# Mean hourly wages of women = 12 per hour<br>-# Gender wage gap percentage = (16 - 12)/16 = 4/16 = 0,25 = 25% |

# Appendix 10. Workplace violence and harassment (4i)

Contribution area 4i
Workplace violence and harassment
SDG5 - Equality

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | The entity has established a plan and relevant actions in each of these subareas, identified in the Equality plan[6]<br><br>A. Prevention of sexual and gender-based harassment (1)<br>B. Employment rights of victims of gender-based violence (6)<br>C. Communication, information and awareness-raising (3)<br><br>Metric<br>Total number of actions implemented for each subarea taking into account the requirement to have one action in each subar |
| Scoring | Awareness<br>The entity discloses the required information (see reporting) and is below the ÔactionÕ threshold for that year. |

[6] https://www.boe.es/boe/dias/2020/10/14/pdfs/BOE-A-2020-12214.pdf

Action

The entity discloses the required information (see reporting) and:

- must implement one action in each of the 3 subareas and:
  - during the period 2021-2024: 2 further actions (total 5)
  - during the period 2025-2027: 4 further actions (total 7)
  - during the period 2028-2030: 6 further actions (total 9)

Achievement

The entity discloses the required information (see reporting) and:

- must implement every action listed (total 10)

| | |
|---|---|
| | c)# Is a joint body set up to deal with the cases of harassment envisaged? Yes/No<br>d)# Is there provision for professional psychological and/or medical counselling or support for victims of harassment? Yes/No<br><br>B. Employment rights of victims of gender-based violence list of actions:<br><br>For the action to Ôscore Õ points in any area, the entity must be able to answer Ôyes Õ to the relevant question:<br><br>2. Are awareness-raising measures on gender-based violence established? Yes/No<br><br>3. Is there specific training for human resources personnel on the rights of victims of gender-based violence? Yes/No<br><br>4. Are terms established for the exercise of the legally recognised rights to reduce working hours, reorganisation of work time, the application of flexible working hours or other forms of working time organisation for victims of gender-based violence? Yes/No<br><br>5. Is there provision for professional psychological and/or medical counselling or support for victims of gender-based violence? Yes/No<br><br>6. Are legally established employment rights for victims of gender-based violence extended? Yes/No<br><br>7. Are other measures, in addition to those provided for in the current regulations, incorporated? Yes/No<br><br>If Ôyes, Õ please provide further details. |

*) #

| | |
|---|---|
| | C. Communication, information and awareness-raising- list of actions:<br><br>For the action to ÔscoreÕ points in any area, the entity must be able to answer ÔyesÕ to the relevant question:<br><br>8. Are specific measures on non-existence and inclusive communication established? Yes / No<br><br>9. Have measures been defined for disseminating and informing staff about the Equality Plan? Yes / No<br><br>10. Have staff awareness-raising actions on gender equality been defined? Yes / No |

** #

# Appendix 11. Decarbonisation- Renewable energy consumption (5a)

Contribution area 5a
Decarbonisation- Renewable energy consumption
SDG7 - Energy

Key

*+#

#

| | |
|---|---|
| | <table><tr><th>Year</th><th>% renewable electrical energy</th></tr><tr><td>2020</td><td>14.6</td></tr><tr><td>2021</td><td>23.1</td></tr><tr><td>2022</td><td>31.7</td></tr><tr><td>2023</td><td>40.2</td></tr><tr><td>2024</td><td>48.8</td></tr><tr><td>2025</td><td>57.3</td></tr><tr><td>2026</td><td>65.8</td></tr><tr><td>2027</td><td>74.4</td></tr><tr><td>2028</td><td>82.9</td></tr><tr><td>2029</td><td>91.5</td></tr><tr><td>2030</td><td>100</td></tr></table><br>Achievement<br>The entity discloses the required information (see reporting) and:<br>! # renewable electricity energy percentage is 100% |
| Reporting | The entity discloses:<br>! # renewable electricity energy percentage (even if zero) |
| Definitions | Renewable electricity energy percentage<br>! # Renewable electrical energy consumption |

*" #

| | |
|---|---|
| | Divided by<br>!# Total electrical energy consumption<br><br>Renewable electrical energy<br>See GRI Standard 302[7]<br>Electrical energy source that is capable of being replenished in a short time through ecological cycles or agricultural spresource<br>Note: renewable energy sources can include geothermal, wind, solar, hydro, and biomass<br><br>Scope 1 (adapted from GRI definition 305.1[8])<br>Energy used from sources that are owned or controlled by the organization.<br><br>Scope 2 (adapted from GRI definition 305.2)<br>Energy used from purchased or acquired electricity, heating, cooling, and steam. |

[7] https://www.globalreporting.org/standards/media/1009/gri-302-energy-2016.pdf
[8] https://www.globalreporting.org/standards/media/1012/gri-305-emissions-2016.pdf

# Appendix 12. Energy efficiency (5b)

Contribution area 5b
Energy efficiency
SDG7 - Energy

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | Reduction in energy Intensity ratio of the organization (), including only energy used within the organization (scope 1 and scope 2).<br><br>Metric<br>% reduction in energy intensity ratio (compared with the base year). Energy intensity ratio<br>! # Total energy consumption of the organisation measured in Joules<br>Divided by<br>! # Annual sales measured in ! for that year |
| Scoring | Awareness<br>The entity discloses the required information (see reporting) and is below the ÔactionÕ threshold for that year.<br><br>Action<br>The entity discloses the required information (see reporting) and:<br>! # the energy intensity ratio has been reduced by at least the % shown for the relevant year in the table below. |

*%#

#

<table>
<tr>
<td></td>
<td>
<table>
<tr><th>Year</th><th>% reduction</th></tr>
<tr><td>2020</td><td>0</td></tr>
<tr><td>2021</td><td>3.3</td></tr>
<tr><td>2022</td><td>6.5</td></tr>
<tr><td>2023</td><td>9.8</td></tr>
<tr><td>2024</td><td>13.0</td></tr>
<tr><td>2025</td><td>16.3</td></tr>
<tr><td>2026</td><td>19.6</td></tr>
<tr><td>2027</td><td>22.8</td></tr>
<tr><td>2028</td><td>26.1</td></tr>
<tr><td>2029</td><td>29.3</td></tr>
<tr><td>2030</td><td>32.6</td></tr>
</table>
<br>
Achievement<br>
The entity discloses the required information since the reporting year and:<br>
! # energy intensity ratio reduction is at least 32.6%
</td>
</tr>
<tr>
<td>Reporting</td>
<td>The entity discloses:<br>
! # % reduction in energy intensity ratio (compared with the base year) even if zero or positive</td>
</tr>
<tr>
<td>Definitions</td>
<td>Base year<br>
The year 2020.</td>
</tr>
</table>

*&#

| | |
|---|---|
| | % reduction in energy intensity ratio<br>(Base year- Current year) / Base year<br>For example:<br>- Base year energy intensity = 2<br>- Current year energy intensity = 1.5<br>- % reduction = (2-1.5)/2 = 0.5/2 = 25% |

# Appendix 13. Material use (input) (5c)

Contribution area 5c
Material use (input)
SDG12 - Sustainable consumption and production

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | Increase the material productivity, including the volume of total materials<br><br>Metric<br>% increase in material productivity ratio (compared with the base year). Material productivity ratio:<br>! # Sales (! )<br>Divided by<br>! # Volume (kg) of total materials |
| Scoring | Awareness<br>The entity discloses the required information see reporting |

! # during the period 2028-2030: % increase in

+) #

# Appendix 14. Material use (output) / Circular economy (5d)

Contribution area 5d
Material use (output) / Circular Economy
SDG12 - Sustainable consumption and production

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | Increase the proportion of non |

++#

#

| | |
|---|---|
| | Action<br>The entity discloses the required information (see reporting) and:<br>! # increases the diverted waste percentage by greater than 2,5% yearly<br><br>Achievement<br>The entity discloses the required information (see reporting) and:<br>! # diverted waste percentage is greater than 75% |
| Reporting | The entity discloses:<br>! # increase in the diverted waste percentage even if the number is zero or negative<br>! # diverted waste percentage current year even if the number is zero |
| Definitions | Composting<br>ÇCompostÈOÒOrganic amendment obtained from aerobic and thermophilic biological treatment of separately collected biodegradable waste. Organic material obtained from mechanical biological treatment plants of mixed waste shall not be considered as compost and shall be referred to as bio stabilised material.Ó[14]<br><br>Disposal<br>ÒAny operation which is not recovery, even where the operation has as a secondary consequence the recovery of energy.<br>-# Note 1: Disposal is the end-of-life management of discarded products, materials, and resources in a sink or through a chemical or thermal transformation that makes these products, materials, and resources unavailable for further use.<br>-# Note 2: This definition comes from the European Union (EU), Waste Framework Directive, 2008 (Directive 2008/98/EC).Ó[15] |

14 #

Diverted waste percentage

! # Total weight of non-hazardous and hazardous waste diverted from disposal, with a breakdown by the following disposal methods where applicable: i. reuse, ii. recycling, iii. composting, iv. other recovery operations.

Divided by

!

Other recovery operations

ÒFor instance, repurposing or refurbishment[17]Ó.

Recycling

ÒAny recovery operation by which waste materials are transformed back into products, materials or substances, whether for original purpose or for any other purpose. It includes the transformation of organic material, but does not include energy recov or transformation into materials to be used as fuels or for backfilling operations.[18]Ó

Reuse

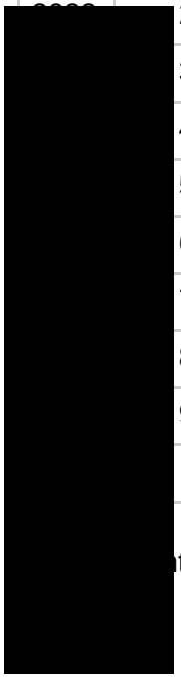
# Appendix 15. Decarbonisation- Greenhouse gas emissions/GHG (5e)

Contribution area 5e
Decarbonisation- Greenhouse gas emissions/GHG
SDG13 - Climate

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | Reduction of net direct greenhouse gas (GHG) emissions (scope 1).<br><br>Metric<br>% reduction in net direct GHG emissions (scope 1) (compared with the base year). Net direct GHG emissions<br>! # Metric tonnes of CO2 equivalent (scope 1) - Metric tonnes of CO2 equivalent offsets |
| Scoring | Awareness |

| Year | % reduction |
|---|---|
| 2020 | 0 |
| 2021 | 10.0 |
| [redacted] | 20.0 |
| [redacted] | 30.0 |
| [redacted] | 40.0 |
| [redacted] | 50.0 |
| [redacted] | 60.0 |
| [redacted] | 70.0 |
| [redacted] | 80.0 |
| [redacted] | 90.0 |
| [redacted] | 100 |



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"( #

Definitions

Base year
The year 2020.

ICROA Code of Best Practice offset standards (ICROA, 2021)
ICROA recommends third

c. Real.
d. Measurable.
e. Permanent.
f. Additional.

6. Legal requirements regarding the avoidance of environmental and social impacts are fulfilled.

Metric tonnes of CO2 equivalent
See GRI Standard 305.1
Gross direct (scope 1) GHG emissions in metric tons of CO2 equivalent, including CO2, CH4, N2O, HFCs, PFCs, SF6, NF3 a
Biogenic CO2 emissions.

Metric tonnes of CO2 equivalent offsets
See GRI Standard 305.5
GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO2 equivalent, including CO2, CH4, N2O,
HFCs, PFCs, SF6 and NF3 (scope 1, scope 2 and scope 3).

Net direct GHG emissions
! # Metric tonnes of CO2 equivalent (scope 1) Metric tonnes of CO2 equivalent offsets

Net-zero direct GHG emissions
! # Metric tonnes of CO2 equivalent (scope 1)

| | |
|---|---|
| | Scope 2 (adapted from GRI definition 305.2)<br>Energy used from purchased or acquired electricity, heating, cooling, and steam.<br><br>Scope 3 (adapted from GRI definition 305.3)<br>Energy used by sources not owned or controlled by the entity but linked to its activity either upstream (from suppliers) or downstream (from customers).<br><br>% reduction in net direct greenhouse gas emissions<br>(Base year net direct GHG emissions - Current year net direct GHG emissions) / Base year net direct GHG emissions<br>For example:<br>- Base year = 10,000 tonnes<br>- Current Year = 8,000 tonnes<br>- % reduction = (10,000 - 8,000)/10,000 = 0.20 = 20% |

!

# Appendix 16. Resilience to climate change (5f)

Contribution area 5f
Resilience to climate change
SDG13 - Climate

Key
See appendix 1 for key.

| | |
|---|---|
| | IHOBE ora similar public agency may prepare templates for small and micro entities.<br><br>Example GRI 201.2 Standard:<br>Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue or expenditure, including:<br><br>1. A description of the risk or opportunity and its classification as either physical, regulatory, or other;<br>2. A description of the impact associated with the risk or opportunity;<br>3. The financial implications of the risk or opportunity before actions are taken;<br>4. The methods used to manage the risk or opportunity;<br>5. The costs of actions taken to manage the risk or opportunity.<br><br>Vulnerability (from IPCC Glossary[25])<br>The propensity or predisposition to be adversely affected. Vulnerability encompasses a variety of concepts and elements including sensitivity or susceptibility to harm and lack of capacity to cope and adapt. |

[25] IPCC glossary ref

# Appendix 17. Recovery of degraded areas (5g)

Contribution area 5g
Recovery of degraded areas
SDG15

**2 Medium and large entities**

A scoring system in two stages is suggested:

- 1st stage (1– 3 years) - Negative environmental impact assessment of suppliers' products and services.
- 2nd stage (4– 10 years) - Increasing suppliers' products and services that either do not have a negative environmental impact or have a

Action

No action points. If ÔyesÕ then awarded achievement points.

Achievement

The entity discloses the required information (see reporting), and:

- the answer is ÔyesÕ to the question: ÒDoes the entity

$( #

Definitions

Action plan agreed

ÒActions taken to address environmental impacts can include changing an organizationÕs procurement practices, adjusting performance expectations, capacity building, training, changes to processes, as well as terminating supplier relationships" (GRI disclosure 308).

Identify(ing/ed) potential environmental risks

Potential areas of environmental risks guidelines:

- The GRI disclosure 308 states a path of supplier environmental assessment, including the topics in the 300 series: GRI 301 Materials, GRI 302 Energy, GRI 303 Water, GRI 304 Biodiversity, GRI 305 Emissions, GRI 306 Effluents and waste, GRI 307 Environmental Compliance.

Alternatively,

- The government can coordinate guidance about the most relevant aspects to be included, considering different sectors.

Increase in the non-negative environmental impact percentage

= (Non-negative environmental impact % current year) -

Micro, small, medium and large entities

| | Income or assets | Employees |
|---|---|---|
| Micro entities | < 2 mill. | < 10 |
| Small entities | < 10 mill. | < 50 |
| Medium entities | < ! 50 mill. | < 250 |
| Large entities | > ! 50 mill. | > 250 |

Negative environmental impact; Negative environmental impact assessment; Assessed... negative environmental impact
The entity identifies if the supplier has a negative environmental impact. ÒNegative impacts include those that are either ca
contributed to b6 0c (r) -1 (i65-1 (i) 6an (i) -1zegat) -1 (i) -2 n,(.) -1 ( ) -1 (or) -1 ( ) -1 (t) -1 egat are irb6 0c (ncl) -1 (i) -1 k (ed

Non-negative environmental impact percentage

! # SuppliersÕ products and services that either do not have a

# Appendix 18. Increase in entrepreneurship (6a)

Contribution area 6a
Increase in entrepreneurship
SDG8 - Sustainablegrowth

Key

$* #

#

Achievement

The entitv 0oD-1 (i) scl1 (i) oses1 (v 0o-1 (t) [ (The ) rThe ) -quiiv 0o-1 (i) nf1 (i) orThe emtiv 0o(

New

The activity happens in the current year

New qualifying SDG investments percentage:

- Total number of qualifying SDG new entrepreneurial companies invested; plus new intra-enterprise pilots with start-up; plus new spin-offs

Divided by

- Total number of new entrepreneurial companies invested; plus new intra-

# Appendix 19. Innovation (6b)

Contribution area 6b
Innovation
SDG8 - Sustainablegrowth

| | |
|---|---|
| | ! # during the period 2025-2027: SDG R&D percentage is greater than 50%<br>! # during the period 2028-2030: SDG R&D percentage is greater than 80%<br><br>Achievement<br>The entity discloses the required information (see reporting) and:<br>! # SDG R&D percentage is greater than 90% |
| Reporting | The entity discloses:<br>! # the SDG R&D percentage even if it is zero. |

Definitions

Financed through 64 bis
[link to the relevant legislation]

Invested in by public money
Funding for whole or part of the project has come from government or government agencies.

New
The activity happens in the current year.

Qualifying SDG
An activity or project or investment or company counts as an SDG relevant area if more than 50% of the activity or project or company's activity (measured by sales) is included in one of the following:

! # Greentech - evidenced by the Basque list of clean technologies;
! # Environmental - evidenced by Art 65 of NFIS
! # Health and education - for the c

| | |
|---|---|
| | SDG R&D percentage<br>!# Total! of new qualifying SDG R&D projects<br>Divided by<br>!# Total! of new R&D projects<br><br>Taking part in<br>The R&D project is run by the organisation. |

# Appendix 20. Partnerships and collaborations (6c)

Contribution area 6c
Partnerships and collaborations
SDG8 - Sustainable growth

Key
See appendix 1 for key.
Note that terms underlined are defined in the ÔdefinitionsÕ section.

| | |
|---|---|
| Assessment | Number of qualifying partnerships and collaborations maintained during the year.<br><br>Metric<br>Number of qualifying partnerships and collaborations maintained during the year |
| Scoring | Awareness<br>The entity discloses the required information (see reporting) and is below the ÔactionÕ threshold for that year.<br><br>Action<br>The entity discloses the required information (see reporting) and:<br>! # during the period 2021-2024: metric is greater than A (see table below)<br>! # during the period 2025-2027: metric is greater than B (see table below)<br>! # during the period 2028-2030: metric is greater than C (see table below) |

Achievement

The entity discloses the required information in the reporting

Micro, small, medium and large entities

| | Income or assets | Employees |
|---|---|---|
| Micro entities | < 2 mill. | < 10 |
| Small entities | < 10 mill. | < 50 |
| Medium entities | < ! 50 mill. | < 250 |
| Large entities | > ! 50 mill. | > 250 |

Publicly acknowledged by both parties

The entity and the partner makes the partnership or collaboration agreement public through their normal communication s ha available to public audiences.

Qualifying partnerships and collaborations

For a partnership or collaboration to count, it sho uld

- be with a separate, independent, named organisation
- have a written partnership & /collaboration agreement or Memorandum of Understanding (MoU) that should cover:
  - clearly defined resources to be provided by each side
  - clearly defined outcomes
  - identified and named relationship manager from each side
- be publicly acknowledged by both parties
- be maintained during the year

Resources

It could be monetary and/or non monetary. For instance: money)( hours of employees assigned to the project, infrastructure.

| | |
|---|---|
| | Separate<br>Not already counted in the contribution area 4g.<br><br>Written partnership & /collaboration agreement<br>Written document that specifies the alliance between two or more parties. |