

Europe's Climate Leaders 2021 - Methodology

Europe's Climate Leaders 2021 is a list of companies across Europe that have shown the highest reduction of their emission intensity, which is to say, their core greenhouse gas emissions in relation to their revenues, between 2014 and 2019. Companies could enter the list by applying online or by having the necessary data publicly available.

Application and Research

Statista compiled a list of several thousand European companies and invited them via email to submit their emissions and revenue data via a website created by Statista and the Financial times. The application phase ran from October 2020 to January 2021. In addition, Statista scrutinized publicly available data of about 4000 European companies. The main sources of data were financial and non-financial reports as well as the CDP database.

To ensure that the data is comparable, only emissions reported following the emission categories of the greenhouse gas protocol (scope 1, 2 and 3) were considered. As there is a high degree of freedom for reporting scope 3 emissions, scope 3 emissions could not yet be taken into account. If both location-based and market-based values had been reported for scope 2 emissions, then the market-based calculation was used in this analysis (as it reflects the choices a company has made regarding their electricity suppliers).

Criteria for inclusion in the list

To be included in the Europe's Climate Leaders list, a company had to meet the following criteria:

- The company is headquartered in one of 33 European countries¹.
- The company had a revenue of at least €40 million in 2019^{2, 3}
- The company reports independently and is independently run (i.e., the company is not a subsidiary of another company eligible for the ranking)
- The company published the following emission data:
 - emissions for scope 1 and scope 2 for the years 2014 and 2019⁴
- In case a CDP rating was available, the score had to be at least B-⁵.

¹ All companies from the following countries were eligible to participate: Austria, Belgium, Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Monaco, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom. For the purpose of this analysis, the operating headquarter was considered.

² Non-euro countries: currency value equivalent according to year-end 2014 and 2019.

³ For banks and insurance companies, total income was used instead of revenue.

⁴ In case the reporting period did not correspond to the calendar year, the reporting period which had most months in the wanted year was considered.

⁵ For companies with emissions of over 10 million tonnes CO2 equivalents, a CDP rating of A or B was mandatory.

Data analysis

For all companies meeting the inclusion criteria, the year-over-year reduction of the emission intensity (compound annual reduction rate) was calculated. The emission intensity was defined as the core emissions (scope 1 and scope 2 emissions in tonnes of CO2 equivalents) per million revenue in euro.

The compound annual reduction of emission intensity was calculated with the following formula:

$$1 - \frac{\text{Emission intensity 2019}^{\left(\frac{1}{2019-2014}\right)}}{\text{Emission intensity 2014}}$$

The list consists of those 300 companies which have reduced their emission intensity the most.

Disclaimer

The top list "Europe's Climate Leaders 2021" was created through a complex procedure. Although the research was very extensive, the ranking does not claim to be complete, as some companies did not publish their figures or did not participate.

FAQ

What are the distinctions between scope 1, scope 2 and scope 3 emissions?

In greenhouse gas emissions reporting, emissions are divided in scope 1, scope 2 and scope 3 emissions. Scope 1 emissions, also known as “direct emissions”, refers to emissions that are directly produced in different offices and facilities of a company, for example in the process of producing goods, but also using heating and cooling devices. Scope 2 emissions are emissions that are generated as a consequence of the production of electricity and district heating. By using renewable energy, companies can cut these emissions to zero. Scope 3 emissions, also known as value chain emissions, include all sources of emissions that are linked to a company but not within the companies operational boundary. Scope 3 emissions are frequently representing the greatest portion of a company’s total emissions. The Global Reporting Initiative (GRI), which is an initiative that campaigns for the distribution of clear standards regarding sustainability reporting, differentiates between 15 categories of scope 3 emissions. The calculation of scope 3 emissions is complex and laborious.

Why does the ranking only consider scope 1 and scope 2 emissions?

Not all companies that publish their emissions publish their scope 3 emissions. Furthermore, there are major differences in the number of considered categories (the GRI has set 15 categories within this scope 3 level), which results in huge differences in scope 3 reporting. Consequently, the current data does not allow for the comparison of the absolute value of scope 3 emissions. However, also included in the table are indications to show which companies have started to analyze their scope 3 emissions.

Is it justified to compare companies from different sectors?

It is clear that every sector and every company have different challenges regarding their greenhouse gas emissions and climate protection. In this top list, companies are compared using the year-over-year reduction of their emission intensity. As this reduction rate is always calculated in comparison to the base line of the same company, it takes into account the different starting points of the companies. Thus, this reduction rate shows what companies have accomplished in terms of emission reduction, independent of their absolute number of emissions. The top list can also be filtered by sectors, emission intensity or core emissions (scope 1 + 2).