



# **BDO CONSULTING ISRAEL**

**Greenhouse Gas inventory  
for FY 2022**



# INTRODUCTION

While global warming and climate change are intensifying, many governments and private sector organizations are taking steps to reduce GHG emissions. As a result, companies must be able to understand and manage their GHG footprint to remain competitive among peers and in the market, and to be prepared for future international, national, and/or regional climate policies. BDO's global leadership has committed to support the goal of Net zero greenhouse gas emissions by 2050 or sooner, along with our GPPC peers, with whom we joined the Net Zero Financial Service Providers Alliance (NZFSPA) in September 2021.

BDO Israel (BDO) is a dynamic and business-oriented accounting and consulting firm, with more than 1,800 employees in Israel. BDO ISRAEL is also part of the greater international BDO network which ranks worldwide as a pioneer in the accounting industry.

As part of the global effort in and the company's commitment to environmental stewardship and its continued efforts to measure, assess, and improve its ESG performance, BDO Israel has conducted a greenhouse gas (GHG) inventory analysis of BDO's operations. This analysis, presented in this report was made for the fiscal year 2022 Jan 1 to Dec 31 and provides a baseline for future comparisons and a GHG inventory for the company.

For BDO, this analysis was done to determine the company's baseline greenhouse gas emissions so that a decarbonization plan can be developed to achieve the firm's commitment to net zero goals. In addition, the results of this analysis will inform BDO's corporate reporting on ESG efforts, enhance the firm's ESG disclosures, and assist with efforts to benchmark performance.

## METHODOLOGY

BDO has operational control over 8 separate office complexes across Israel, thus an operational control approach was used. The sites included in the inventory are Tel-Aviv, Bnei-Brak, Jerusalem, Modi'in, Kiryat Shmona, Beer Sheva, Eilat and Haifa.

BDO's total GHG emissions were assessed using the World Resource Institute's (WRI) GHG Protocol Corporate Accounting and Reporting Standard (GHG Protocol). The relevant categories for a service provider were recognized and defined as followed: Mobile fuel consumption, Buildings – Electricity and refrigerants, People – Employee commuting, business travel, remote work, Purchased Goods and Services – Excluding: utilities, energy-related spend (included in Scope 1 and 2) and Waste and wastewater - Use and sources. These categories correspond to the following emissions scopes.

### SCOPE 1:

#### Direct GHG emissions

Occur from sources that are owned or controlled by the company. Accepted fuel-based and process specific emissions factors were used in accordance with the IPCC's Fifth & Sixth Assessment Report (AR5/AR6), which calculates carbon dioxide equivalents (CO<sub>2</sub>e) based on Global Warming Potential (GWP100) values.

### SCOPE 2:

#### Indirect GHG emissions

Accounts for GHG emissions from the generation of purchased energy or electricity consumed by the company.

### SCOPE 3:

#### Other indirect GHG emissions

GHG emissions that occur from sources not owned or controlled by the company. This scope includes emissions in the company's value chain.

<sup>1</sup> The analysis was based on the parent company's data, excluding its subsidiaries.



## THE FOLLOWING SCOPE 3 EMISSION CATEGORIES

were included, as they are material to BDO's business:



### Category 01

**Purchased goods and services**

Purchased goods and services - This may include services, Intermediate goods (e.g., materials, components), computer hardware and software, facilities and maintenance, and office supplies.



### Category 03

**Fuel and energy-related activities**

Extraction, production, and transportation of energy purchased or acquired, not already accounted for in scope 1 or scope 2, including: Transmission and distribution (T&D)



### Category 05

**Waste generated in operations**

Disposal and treatment of waste generated in BDO Israel operations in. This category includes emissions from disposal of both solid waste and wastewater.



### Category 06

**Business travel**

Transportation of employees for business-related activities and hotel stays.



### Category 07

**Employee commuting and working from home**

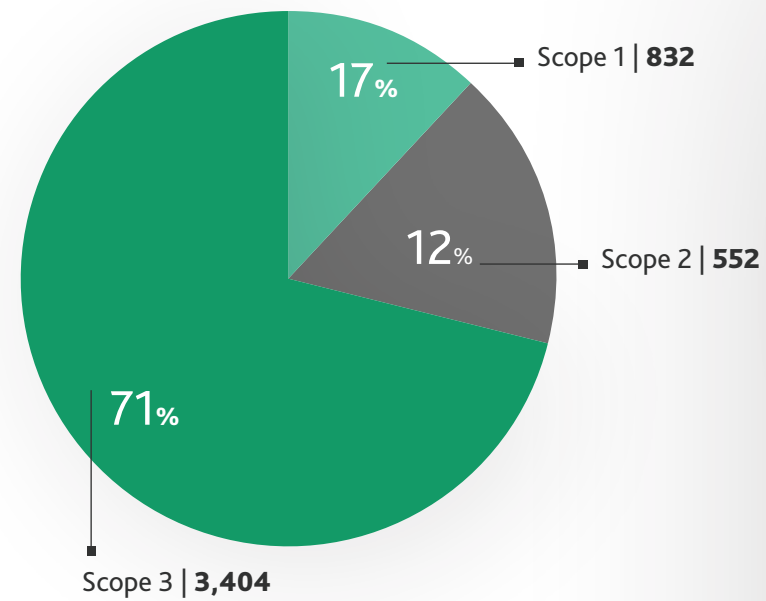
Transportation of employees between their homes and their worksites using methods not owned or operated by BDO (i.e., private vehicles and public transportation). In addition, remote work (teleworking) emissions are also included under this category.



# GHG INVENTORY FOR BDO FY 2022

Emissions breakdown by scope - BDO Israel

## GHG INVENTORY FOR 2022 (tCO<sub>2</sub>e)

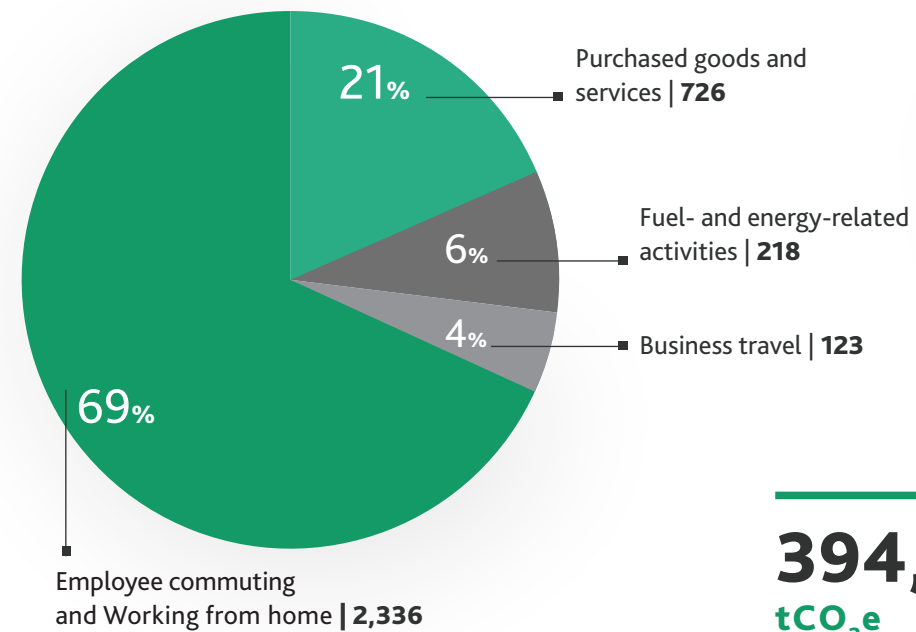


**17%** of BDO's emissions stem from Scope 1 related activities.

**12%** of BDO's emissions stem from Scope 2, mainly electricity consumption.

Scope 3 related activities account for **71%** of BDO's emissions.

## SCOPE 3 - EMISSIONS BREAKDOWN BY CATEGORY



Out of the five categories analyzed in scope 3, most of the emissions are created by **employee commuting and teleworking** (cat.7) summing to 2,336 ton of tCO<sub>2</sub>e annually.

The second largest source of emissions in scope 3 is the **Purchased Goods and Services**. Most of the emissions in this category are from the use of computers and from training activities.

**394,146**

tCO<sub>2</sub>e

BDO'S GLOBAL FOOTPRINT

**4,571**

tCO<sub>2</sub>e

BDO ISRAEL FOOTPRINT





# APPENDIX

## GHG inventory for BDO FY 2022

GHG category		CO2e emissions [tCO <sub>2</sub> e]	%
<b>Scope 1 TOTAL</b>		<b>832</b>	<b>17.4%</b>
Scope 1	Mobile combustion	822	17.2%
Scope 1	Refrigerants	10	0.2%
<b>Scope 2 TOTAL</b>		<b>552</b>	<b>11.5%</b>
Scope 2	Electricity	552	11.5%
<b>Scope 3 TOTAL</b>		<b>3,404</b>	<b>71.1%</b>
<b>Scope 3</b>	<b>Category 1. Purchased goods and services</b>	<b>726</b>	<b>15.2%</b>
	Data Centers	36	0.8%
	Water supply	0.03	0.001%
	Other PG&S	674	14.1%
	IT Hardware	2	0.04%
	IT Software	14	0.3%
<b>Scope 3</b>	<b>Category 3. Fuel and energy-related activities</b>	<b>218</b>	<b>4.6%</b>
	Transmission and distribution	218	4.6%
<b>Scope 3</b>	<b>Category 5. Waste generated in operations</b>	<b>1.3</b>	<b>0.03%</b>
	Waste	1.25	0.026%
	Wastewater Treatment	0.05	0.001%
<b>Scope 3</b>	<b>Category 6. Business travel</b>	<b>123</b>	<b>2.6%</b>
	Flights	115	2.4%
	Hotel Stays	8	0.2%
<b>Scope 3</b>	<b>Category 7. Employee commuting and working from home</b>	<b>2,336</b>	<b>48.8%</b>
	Employee commuting	1,842	38.5%
	Teleworking	493	10.3%
<b>TOTAL</b>		<b>4,789</b>	





For more information contact

[www.bdo.co.il](http://www.bdo.co.il)

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