

BIMCO

SUSTAINABILITY REPORT 2022/23



INTRODUCTION TO THE REPORT

— David Loosley, Secretary General & CEO



Welcome to the 1st BIMCO Sustainability Report. Within you will find an overview of the activities we have undertaken to develop an understanding of our current environmental footprint and what we can do better in future. This report is written from the perspective of the staff group responsible for the work to date. I hope you enjoy reading.

Why did BIMCO seek to understand its own environmental footprint?

At BIMCO we believe in demonstrating leadership. As the sustainability of shipping becomes a greater priority for all stakeholders, many of our members are grappling to understand what it means for them – from the operation of their offices to their ships. So, whilst we are a very different type of organisation, looking at our own sustainability gives us a bit of insight into some of the challenges faced by our members. Calculating our own environmental footprint, from our GHG emissions through to the amount of waste we generate, helps us to not only understand the methodologies concerned and the challenges of reporting but enables us to look at what we can do better. Knowing what it means for BIMCO as an organisation can help us understand what it means for our members.

Why did you form a staff group to take this forward?

Transforming how the BIMCO secretariat thinks about sustainability requires a diversity of opinions but most of all requires every member of staff to join the ride. No one understands better what daily changes can improve the balance between business needs and environmental impact than the staff themselves. At BIMCO, we are fortunate to have employees with the range of skills necessary to support our sustainability goals and they are enthusiastically engaged in our staff group. Their expertise includes environmental science, data analysis, finance, law and communications. But most importantly we have staff who are passionate about making a difference within the organisation and have been hugely supportive of the work.

What is the aim of the first BIMCO sustainability report?

This first report highlights not only our starting point – the baseline level of our emissions related to some of our core business functions – but also shines a light on the initiatives we have undertaken in the first year.

ABOUT BIMCO AND SUSTAINABILITY

— Aron Sørensen, Chair of the Sustainability Working Group & Head of Marine Environment



What is the overarching background behind the work?

The consequences of climate change remain an overarching challenge for all companies, and this includes shipowners as well as flag states. Our first focus internally has, like other organisations, been on greenhouse gas emissions. As we head to the future, step by step, we will add more areas. This first sustainability report provides the results that will form the baseline for our future work.

BIMCO is an observer at the International Maritime Organization (IMO), a specialized agency with responsibility for the safety and security of shipping and the prevention of pollution by ships. The member states and observers to the IMO have been discussing several items that support the broader UN Sustainable Development Goals (SDGs). By focusing on our own sustainability situation, we will gain knowledge and experience that we can use in our future IMO work.

What are BIMCO's high-level views on sustainability?

Our ambition is to help build a resilient industry in a sustainable future whilst protecting world trade through helping manage the risk to our members, and therefore shipping, in a changing world. Furthermore, our strategy recognises that without substantial global action, the effect of human impact on our climate will cause irreversible environmental damage. The interrelation between climate change and resource scarcity increases the pressure on our planet and could fundamentally change life on earth. Intensifying environmental challenges coupled with rapid technological breakthroughs and digitalisation have the potential to drastically disrupt businesses and society as a whole.



Aron at an IMO meeting in London.

Can you describe one of the initiatives you are involved in now where your internal sustainability work aligns with the work of the members?

Over the past year we have rolled out our campaign to try and encourage ship owners to replace single use plastic bottles (ie those plastic bottles you just use once and then throw away) with safe and reliable onboard water systems. This we believe will make a major dent in the estimated 1 billion plastic bottles moving around the world on ships – many of which may end up in the ocean as they become mismanaged waste on land. Of course, it is no good encouraging our members to act if we at BIMCO are drinking out of plastic bottles. As such, to combine our internal and external campaigns we entered a partnership with “Ocean Bottle”. We have provided all staff with a BIMCO branded water bottle. Not only does the bottle look fabulous and is extraordinarily practical (it can keep drinks hot and cold and go in the dishwasher), it was the most sustainable bottle we could find – part stainless steel and part ocean-bound recycled plastic. What is more – each bottle funded the collection of 1000 plastic bottles from areas of the world which are blighted by plastic pollution – that’s around 11kg of plastics collected per member of staff – and an offset of 4.88kg of carbon. These bottles have also been distributed to all BIMCO volunteers to encourage our committee members to walk the talk or to consider the problem of single use plastic onboard ships.

CREATING A BASELINE TO INFORM OUR FUTURE WORK

— Bev Mackenzie, Head of Intergovernmental Engagement



How did you address the challenge of understanding the current footprint of the organisation and create a baseline?

The first thing we needed to do was to break our business down into manageable chunks. For this first year, we decided to limit our work to understanding only our greenhouse gas (GHG) footprint. We took a leap of faith when identifying the potential biggest contributors to the footprint. This was based on common perceptions of the least sustainable activities people generally undertake (such as long distance flights) and then carrying out further investigations. For example, we know that with a wonderful but large HQ building, there is likely to be big energy footprint. Also, its location means many people commute to work where there is a good canteen – which also has a GHG footprint. We also know that as a global organisation we travel frequently to visit our members, attend conferences and represent our members’ interests around the world. This core business has a cost in terms of GHG emissions. Finally, like any business, we use a lot of services such as post, cleaning, IT, legal and banking – each of which has a GHG footprint.

So once you had determined the business areas – what next?

Luckily, we were not the first organisation to ever conduct this type of exercise and the Greenhouse Gas Protocol has some excellent guidance on the methodology to use. We found the UK conversion factors for GHG emissions for different activities to be the most complete and relevant for our business. Additionally, we used the International Civil Aviation Authority (ICAO) calculator for our flight emissions and have since built our own internal calculator to be able to track our flight emissions on an ongoing basis.

What did you learn about the process of calculating GHG emissions?

It’s part an art and part a science! Whilst the figures are never going to be 100% accurate for a business like ours, the calculation is reliable enough for us to be able to identify where we can make the biggest impact – what behaviour changes might be required to reduce our GHG emissions. It was also important to develop a methodology that can be repeated on an annual basis by everyone in the organisation to monitor progress. We also realised that it is difficult for some people to contextualise what emissions look like and what they mean. For example, we know flying produces a lot of emissions but it is hard to put that into context in comparison to other emissions. All we can really do is use the calculations to establish a baseline and set ourselves realistic reduction goals.

What were the biggest surprises?

Personally, I was surprised as to how low BIMCO House’s energy footprint for heating and lighting is but how high the canteen’s footprint is based on the food we eat. Also, another surprise was the high emissions attributed to our suppliers. This is a big challenge as these “scope 3” emissions are very much out of our hands when it comes to making reductions. Finally, because our normal operations, like so many other organisations, were disrupted during COVID, we realised that to create a representative baseline, an average has to be established over a longer period. So we have the data combined to cover a period of years which at the moment is a bit of a “Frankenstein’s monster” of a baseline. However, it will be fine-tuned over the next two years to give us a much better picture as to where we really are.

So given that – what might we do in the future to help reduce this footprint?

As a customer of services, we can think about doing things differently with our suppliers and encourage them to be more sustainable. As that footprint is so high, we could make some good savings and support other companies to do better.

BIMCO's 1st baseline greenhouse gas (GHG) footprint is 499,463 kg CO₂-eq – that is just under 500 metric tonnes.



Our direct emissions from fuel consumption account for 7% of our emissions.



92% of our emissions are from emissions generated by our supply chain (scope 3). These emissions are primarily as a result of BIMCO's overseas travel, which includes staff and volunteers, the food we consume and taking our share of emissions from companies who provide us with other services.



Our indirect emissions from electricity purchased account for less than 1% of our emissions.

500 tonnes
carbon dioxide
would fill
500 hot air balloons



for illustrative purposes only – not to exact scale

ABOUT BIMCO HOUSE

— Peter Lundahl Rasmussen, Head of Maritime Information



Tell us a bit about BIMCO house? Where is it, how big is it, anything particularly exciting?

The BIMCO House was built back in 1917 and a new wing was built in 2000. The three-storey building has a full basement and the 1,945 m² have continuously been maintained and upgraded to accommodate modern office space requirements including three lifts, of which only one is for staff use.

The BIMCO House is situated on a 11,960 m² plot of land just across from Bagsvaerd Lake – some 15 km from the centre of Copenhagen.

What did you investigate when you were looking into the footprint of BIMCO House and did you discover anything interesting?

Energy (power and heating) and water consumption has been monitored and compared with the 2019 baseline.

BIMCO still awaits detailed information from Gladsaxe municipality and the district heating company regarding potential timing for district heating to be established in the BIMCO House area. Meaning that the decision regarding changing heating installation either to district heating or an air heat pump has been postponed.

Tell us about any immediate measures you took to try to make BIMCO house more sustainable?

An annual gathering of energy consumption data has been established for all BIMCO offices. This enables us to make an annual comparison and provide guidance to all BIMCO staff members on good energy saving behaviours.



THE IMPORTANCE OF TRAVEL FOR A GLOBAL ORGANISATION

— Grant Hunter, Director, Standards, Innovation & Research



How important is business travel for BIMCO?

As a global trade association, business travel is a vital component of BIMCO’s efforts to engage with the industry on behalf of its members. While online meetings are becoming more prevalent, face-to-face interactions remain crucial to our work. Compared to online meetings, in-person meetings enable more efficient communication and the ability to engage with a group of people simultaneously.

What did you learn about travel and what we might do better?

After analysing the results from the baseline exercise, BIMCO discovered that a significant amount of travel was taking place, with many staff members traveling to locations near BIMCO’s regional offices. This presents an opportunity to align with our “think global, act local” strategy and make greater use of local staff resources to reduce our travel footprint. For example, the establishment of bases in Brussels and London allow us to maximise engagement with the EU and IMO “on the ground” – and you can travel between the two by Eurostar. To support all this, we introduced a new sustainable travel policy.

What are the main features of the travel policy?

BIMCO’s travel policy includes a decision tree that staff members must follow when considering business travel. The primary question that is asked is whether the travel is necessary, or if the meeting or event could be attended remotely or by a locally based team member. This is a critical step in planning any BIMCO-related activity.

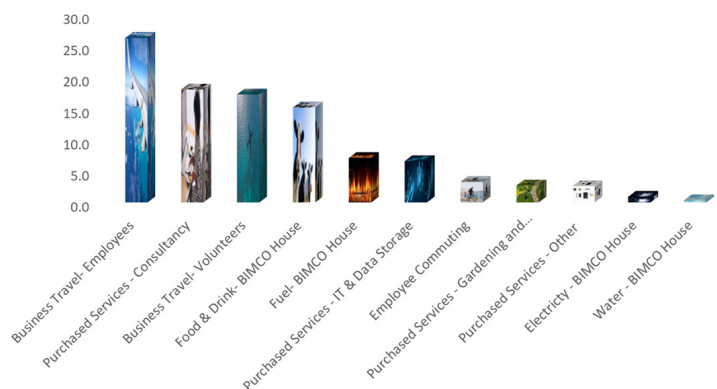
If remote attendance is not feasible, and a local team member is not qualified to attend the event, travel is permitted for meetings and events that are essential to BIMCO’s business goals. However, BIMCO aims to bolster the resources and skills at its regional offices to reduce the need for some business travel in the future.

Ultimately, staff members must approach business travel responsibly and carefully by applying the travel decision tree to support BIMCO’s sustainable travel goals.



Gudrun Janssens, Head of Brussels Office, using the Eurostar to travel between Brussels and London.

Percent contribution to BIMCO footprint of each focus area



This chart shows the contribution of each of the primary activities for our first baseline year (data from different activities gathered from a 12-month period between 2019 to 2022).

HOW WE GET TO WORK

— Elizabeth Ahlefeldt-Laurvig-Lehn, PA to Deputy Secretary General



What did this exercise tell you about people's work patterns?

The key word here is flexible – there is no set pattern as employees are enjoying the flexibility offered by the hybrid system. The fact that we offer this flexible working means that we have had a positive impact on our emissions – with people simply travelling to the office less.

How do BIMCO employees travel to work – do you think we are “good” at sustainable commuting?

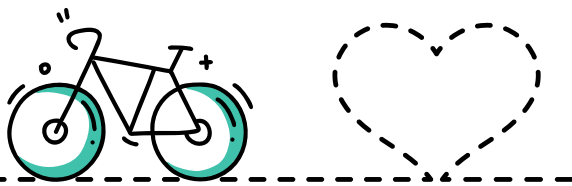
This is a difficult question to answer as geography, local transport infrastructure, weather and family obligations all play an important role. For example, when there is a bicycling competition during the month of May, suddenly a lot of employees are brilliant at commuting by bicycle. Also the BIMCO walking competition every February encourages those who are able to do so to walk to work.

“I feel so alive when riding home from work, picking up my granddaughter (in Lycra) from the kinder garden and later during dinner she asks her grandmother ‘is granddad really a cykelmyg?’”
— Anders

“Biking to work gets me started in the morning” — Merete



“Biking is just an easy alternative to the car. It's exercise and fresh air in a sweet-sweet combo. I love my bike because it's not high-end, but rather practical and conveniently fast to ride. Because I don't have to dress up to take the bike.” — Johan

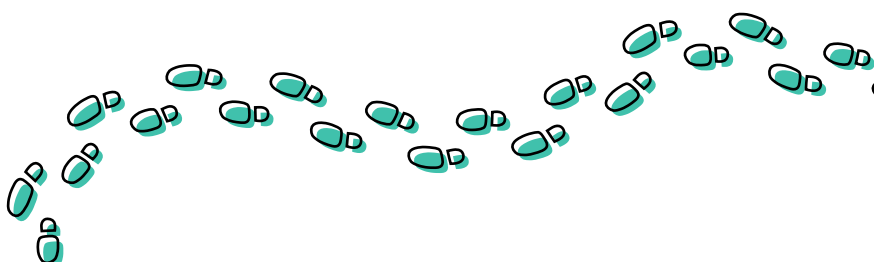


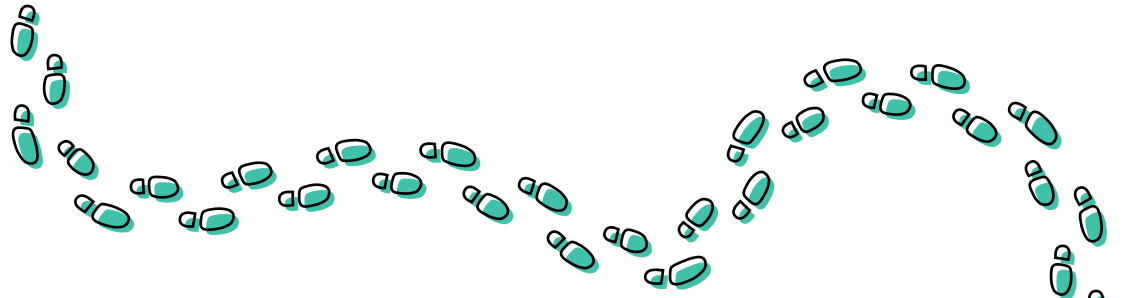
However, some cities are not designed for biking to work but do offer sustainable alternative public transport. It is interesting to see how most employees are becoming more aware of their choice of transport since we have started this work, which is a success story in itself.

What are we doing to encourage people to think about commuting in a different way?

The fact that employees have to report their commuting pattern on an annual basis increases their awareness and encourages them to think about commuting in a sustainable way. The aim at BIMCO House is to obtain the municipality certification for biking facilities. So, a small workshop area and facilities for guests' bikes will be set up and the drying facilities will be improved.

As mentioned, BIMCO supports participation in biking competitions and has charging facilities at BIMCO House for the use of employees travelling in electric/hybrid cars (at their own expense).





What other initiatives have you thought about?

We've introduced a walking meeting concept, which encourages people to get out and about. This reduces the energy used on screen time whilst also contributing to wellbeing. It's really important that sustainability goes hand in hand with health and well-being. The walking meeting concept was established to formalise the procedure (for example it is important to know who is in the house if there is a fire alarm) and guide employees on how best to conduct walking meetings. Some staff are using the concept regularly for one to one meetings and during "briefing meetings" when no screen work is required. One challenge was that we introduced the concept during the winter. We suspect the arrival of summer will boost the numbers. We also need to encourage staff in the BIMCO regional offices to adopt the concept.



THE ROLE OF COMMUNICATIONS IN SUPPORTING SUSTAINABILITY INITIATIVES

— Aggie Hedley, Manager, Marketing

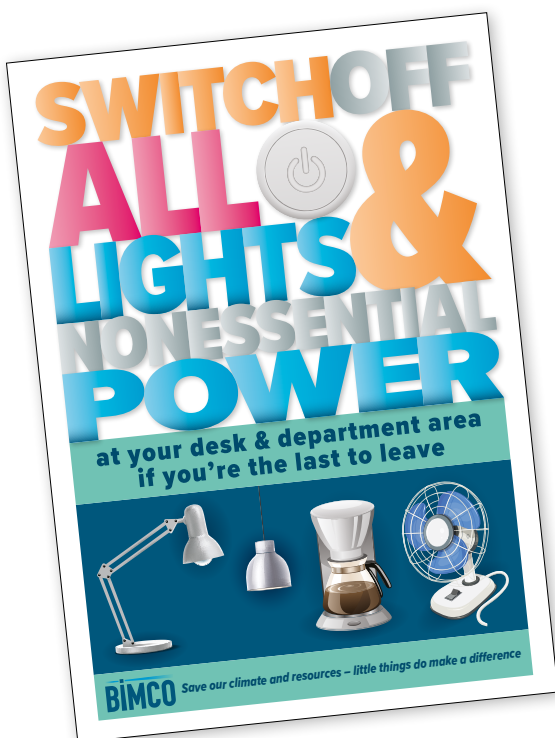
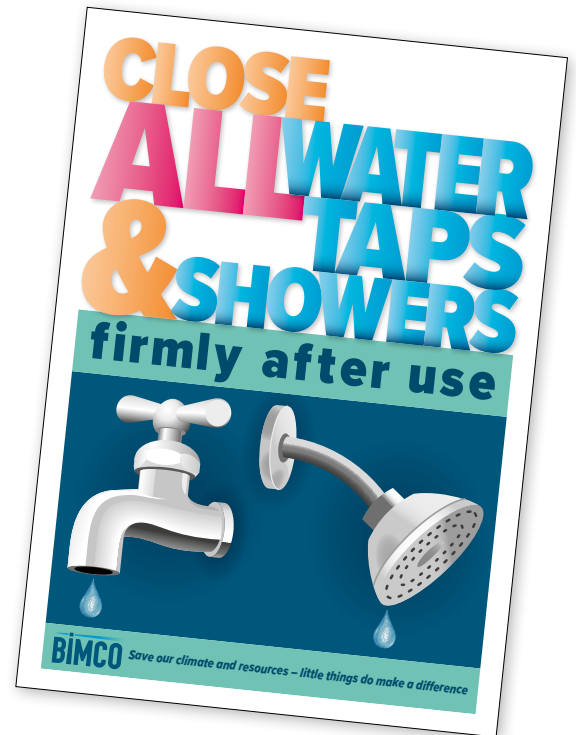


What role does communications play in the development of the BIMCO sustainability work?

We have listened to staff to hear both their concerns and suggestions in relation to their environment and changes they would like to see. This insight, along with data, has allowed us to make informed sustainable changes across the business and empower staff to contribute towards these changes – after all, our environment isn't just at work!

What communications tools did you develop this year and what future plans do you have?

We have provided interactive sessions to all staff to inform, educate and gather suggestions and concerns from staff. In addition, posters have been created to remind employees of changes they can make day to day. We will keep this dialogue open to understand what changes staff would like to see and to enable us to continue to educate and inform staff within the area both at BIMCO and globally.



WHAT IS NEXT?

— David Loosley, Secretary General & CEO



We will continue to learn from our internal work and ensure that it joins up with the work our members are doing. This includes launching an ESG network for members in 2023.

We will continue to track our emissions and try new and innovative ways to reduce them; from improving our waste collection through to looking at our overseas offices and their respective footprints. We look forward to reporting on our progress in a years' time.

