



Normative allows companies to calculate carbon emissions from financial data | Photo source normative.io

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ACCOUNTING ENGINE CALCULATES TOTAL CARBON EMISSIONS FOR BUSINESSES

 COMPUTING & TECH

A new platform helps businesses to calculate their total carbon emissions – taking into account everything from office energy use to the supply chain

Spotted: For many businesses, an important initial step in reducing carbon usage is to keep track of all the carbon being used – from energy use to production. But this is extremely difficult, especially as it can be next to impossible to account for emissions in the supply chain – a majority of emissions for many businesses. This is the situation that Normative, an emissions “accounting engine”, is hoping to solve.

Normative calculates emissions based on what and where businesses spend. Financial data is uploaded to Normative and the engine uses this to map transactions and calculate their carbon footprint. The data used includes everything from invoices for heating and transportation, to business travel, raw materials and production costs. Their process standardises the process of carbon accounting.

The company also offers a variety of products to help businesses make use of the emissions data that is generated. These include a full climate footprint, an emissions hotspot analysis (to discover what purchases have the highest carbon footprint) and reporting of sustainability data to comply with regulations and engage stakeholders.

Normative co-founder and CEO Kristian Rönn has said, “Ahead of COP26, it is time for everyone and businesses, in particular, to be courageous ...But businesses also need to be pragmatic – and realise that removing carbon inside their operations and their supply chains makes good business sense. The cost of carbon is a huge liability on your balance sheet and you need to act to ensure that your business will survive.”

Cutting carbon has become very urgent, and this urgency is spurring a wide number of innovations and platforms designed to help businesses cut their carbon use. Recent developments include a [building management platform](#) that uses AI to optimise space, energy consumption and carbon usage, and a [carbon offsetting platform](#) that provides fully traceable projects.

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Takeaway:

By automating what was previously a labour intensive manual process of accounting for all carbon emissions, Normative has made it both easier and cheaper for companies to track all of their carbon usage – a key step in deciding where and how to make reductions. The benefit of this is clear to many, the company has gained partners including the United Nations Race to Zero campaign, which is working to drive change to a decarbonised economy and the U.K. SME Climate Hub (through which companies have committed to net zero emissions). They have also recently raised €10 million in funding from a number of European and U.S. climate tech funds.