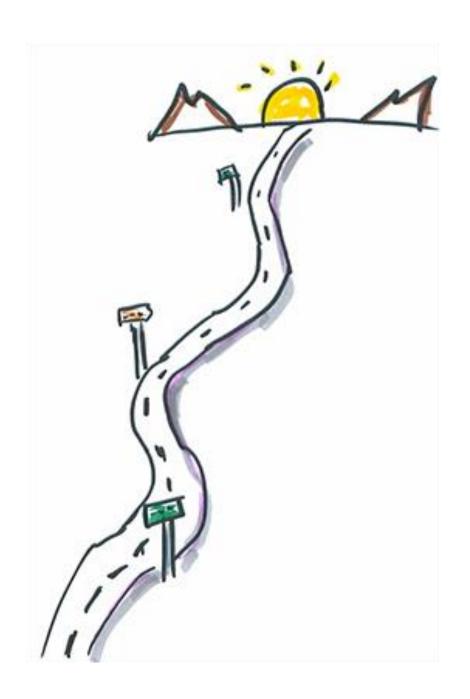


Analysis. Action. Repeat: Steps and Tools For Comprehensive Climate Action Plans







Commit. Act. Impact.





# COMMIT. ACT. IMPACT.

### Climate Collaborative Commitment Areas











Integrate carbon farming into the agricultural supply chains

Increase energy efficiency

Reduce food-waste in the supply chain

Remove commoditydriven deforestation from supply chains

Responsible engagement in climate policy









Reduce the climate impact of packaging

Commit to 100% renewable power

Reduce short-lived climate pollutant emissions

Reduce climate impacts of transportation

### How to commit



TAKE ACTION

BLOG

MEDIA & RESOURCES

EVENTS

ABOUT

DONATE

Q



More companies are taking action to reverse climate change than ever before. They're tackling this global challenge not only because it's essential to the future of our planet but also because doing so offers tremendous opportunities for growth, job creation, and prosperity.

Companies can help reverse climate change by making a commitment to one or more of these initiatives.

#### WHY TAKE ACTION?

Climate change is both the greatest threat our planet has ever faced

**MAKE A COMMITMENT** 

#### SIGNUP FOR UPDATES

Add Your Email Address





# How many companies have committed?







437

Companies
Committing to Action



Commitments































Independent Natural Food Retailers Association















### THANK YOU TO OUR DONORS!

Alter Eco

Annie's

Associated Labels and

Packaging

Aurora Organic Dairy

California Olive Ranch

Cheer Pack

Clif Bar & Company

Connective Impact

Danone North

America

Decker and Jessica

Rolph

Dr. Bronner's

Eatsie.us

Foodstirs

Gaia Herbs

General Mills

Good Earth Natural

Foods

GreenSeed Contract

Packaging

Griffith Foods

Guayaki

Happy Family

Harmless Harvest

**INFRA** 

Justin's

KeHE

Lotus Foods

MegaFood

MOM's Organic

Market

Mountain Rose Herbs

National Co+op

Grocers

Natural Habitats

Nature's Path

New Hope Network

New Morning Market

Numi

Nutiva

Oregon's Wild Harvest

Organic India

Organic Valley

Outpost Natural Foods

Patagonia

Plum Organics

Pluot Consulting

Presence Marketing

REBBL

Rogue Creamery

Safe Sterilization USA

West

Sambazon

Stonyfield

Straus Family

Creamery

Studio Fab

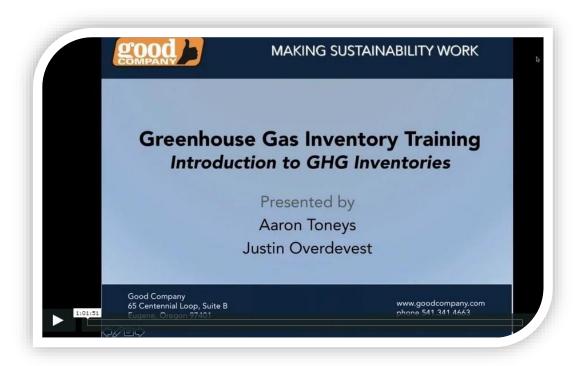
**Sweet Additions** 

Traditional Medicinals

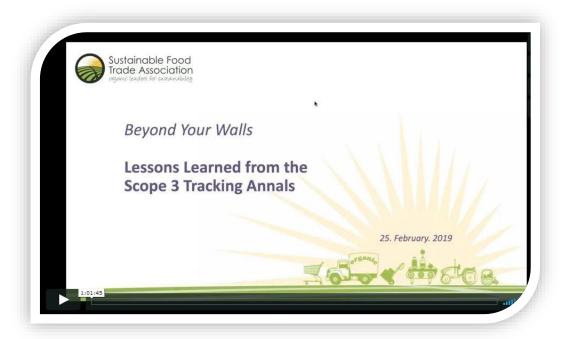
Trayak



# **Previous SFTA GHG Inventory Sessions**



**GHG Inventory 101 Webinar** 



Beyond Your Walls Lessons Learned from the Scope 3 Tracking Annals



### Our Speakers



Joshua Proudfoot
Principal
Good Company



Lisa Spicka
Associate Director
Sustainable Food
Trade Association
(SFTA)



### **Today's Content**

4-Step Climate Action Plan Process

**CAP Company Examples** 

**Tools & Resources** 

Q & A







# Analysis. Action. Repeat:

**Steps for Comprehensive Climate Action Plans** 

Presented by

**Good Company** 

Joshua Proudfoot





## **Webinar Outline**

- Intro to Good Company
- Climate Action Planning
- Project Examples





# Intro to Good Company



#### **MEASURE**

- Life-Cycle Analysis
- Social and Environmental Performance Assessments
- GHG Inventories (Scope 1 3, including supply chain)
- Feasibility Studies and Business Plans



#### **MANAGE**

- Climate Mitigation and Adaptation Plans
- Decision Support
- Social and Environmental Management Systems and Tools
- Sustainability Plans and Programs
- Training



#### **MARKET**

- Business and Market Development
- Due Diligence
- Market Research and Positioning
- Transparency Reporting and Public Disclosure (CSR)





# **Intro to Good Company**





























# **Climate Action Planning**



Source: Good Company







### 1. Hotspot Analyses

- a. Carbon footprinting GHG measurement
- b. Climate materiality what matters to us
- c. Climate risk analysis what risks should we be aware of

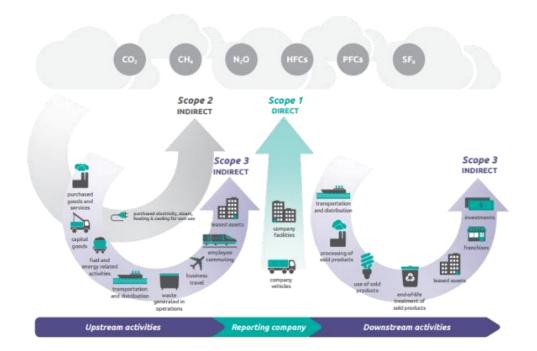






### **1a. Carbon Footprint**

- Operational Greenhouse Gas Emission Inventory
  - Scopes 1-2
  - Supply Chain Analysis (Scope 3)



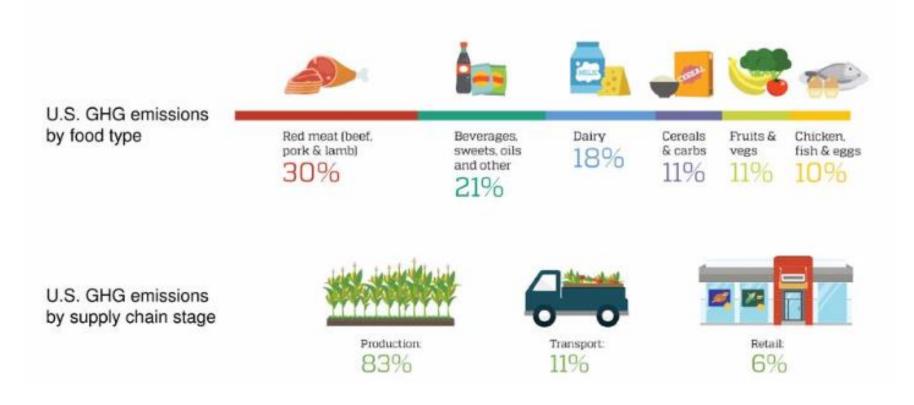






#### 1a. Carbon Footprint – Value Chain & Product Hotspots

Sense of scale by value & supply chain stage



Source: Weber, Matthews. Food Miles and Relative Climate Impact







#### 1a. Carbon Footprint – GHG Inventory

#### PREPRODUCTION

Seeds

Fertilizers
Pesticides
Animal feed
Breeding stock
Energy carriers (fuels)

#### AGRICULTURAL PRODUCTION

#### MECHANICAL SOURCES

Field operations
Drying
Irrigation
Refrigeration
Purchased electricity

#### NON-MECHANICAL SOURCES AND SINKS

Enteric fermentation
Fertilizer use
(organic and synthetic)
Soil liming
Manure management
Rice cultivation
Management of soil carbon
Management of biomass carbon
Biomass burning

#### **POSTPRODUCTION**

Food processing
Storage
Packaging
Transportation
Retail
Cooking
Consumer waste

#### LAND USE CHANGE

Direct deforestation
Indirect deforestation

Adapted from Nemecek et al. (2015), based on IPCC (2006) and Vermeulen et al. (2012).









 Pacific – hotspot analysis for top 10 ingredients by volume



 Bare – life cycle analysis of ag production, copacker facilities, packaging, shipping and warehouse



 Alameda County, CA and City of Bend, OR – supply chain analysis Scope 3



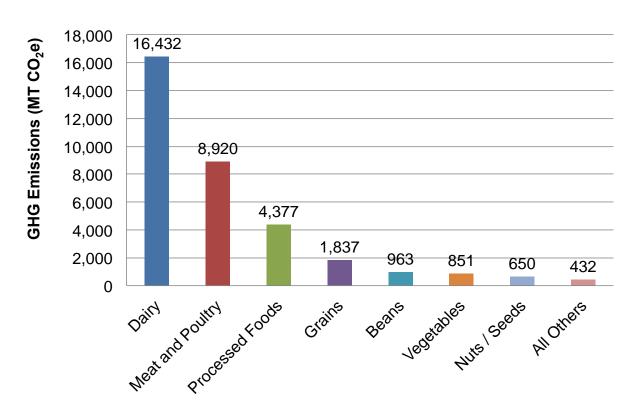








 Pacific – hotspot analysis for top 10 ingredients by volume



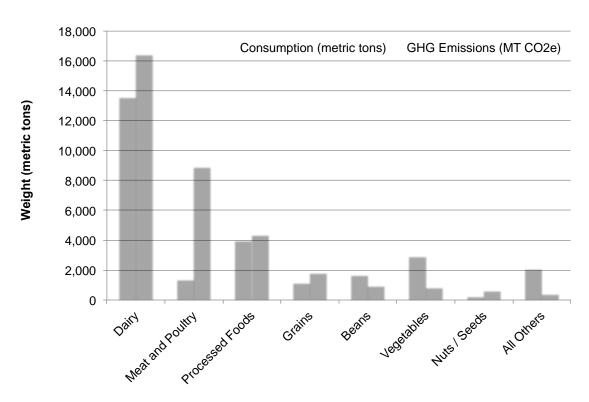








 Pacific – hotspot analysis for top 10 ingredients by volume











• LCA = GHG inventory

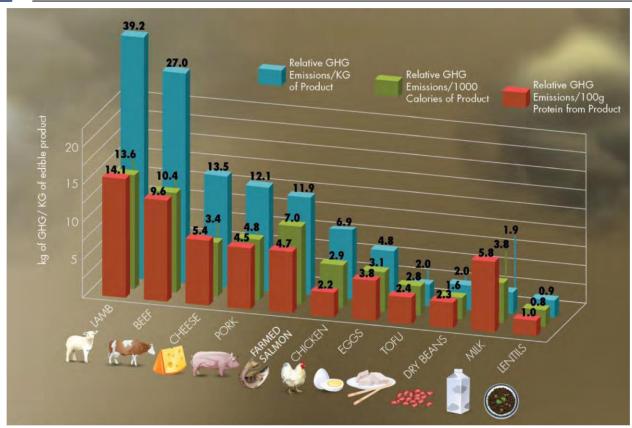
#### **Life-Cycle Stages for Bare Products**











Source: Menus of Change. 2017. Annual Report.



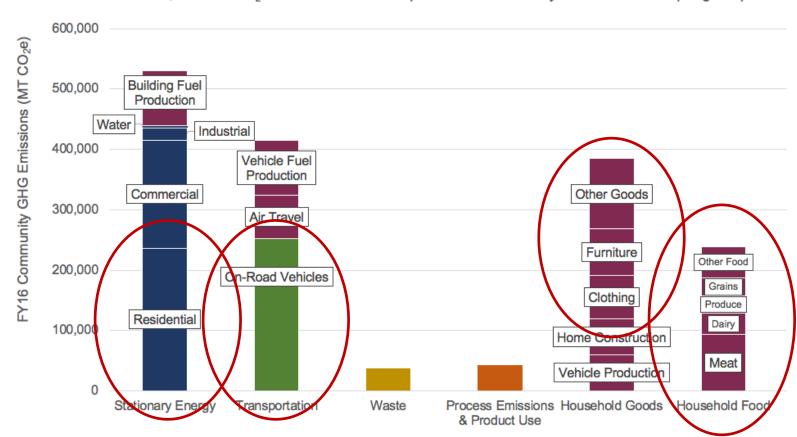


#### 1a. Scope 3 Analysis – Daily Life of a US Community



Bend Sector-Based Greenhouse Gas Emissions with Household Consumption and Community Fuel Production

776,765 MT CO<sub>2</sub>e Sector-Based 871,543 MT CO<sub>2</sub>e Household Consumption and Community Fuel Production (magenta)



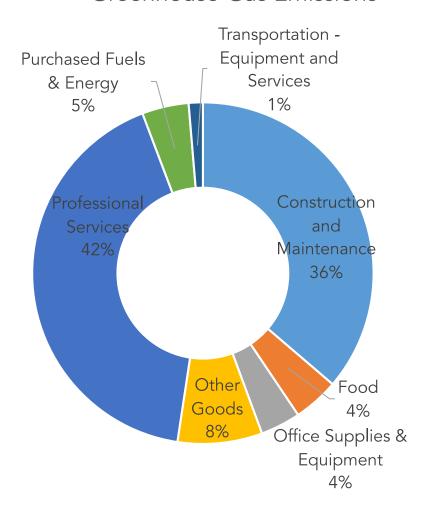






### 1a. Scope 3 Analysis – Alameda County

#### Greenhouse Gas Emissions









#### **1b. Climate Materiality**

- Why is it important?
  - Identifies potential risks and opportunities
  - Highlights issues of control vs. influence
  - Provides reporting structure
  - Directs efforts and attention to progress and performance







#### 1b. Climate Materiality – Mitigation (Qualitative)

#### **Environmental**

**On-farm Practices** 

**Materials** 

**Energy and Refrigerants** 

Water

**Soil Nutrients and Health** 

**Biodiversity** 

**GHG Emissions** 

**Land Use Change** 

**Effluents and Waste** 

**Products and Services** 

Compliance

**Transport** 

Supplier Environmental Assessment Impact or Environmental Business Model Physical Climate Risk

#### Social

**Labor Practices** 

Governance

Health & Safety

**Diversity & Equal Opportunity** 

Human Rights

Ethics, Compliance, Anti-Corruption

**Animal Welfare** 

Healthy and Affordable Food

**Product Responsibility** 

#### **Economic**

Economic Performance
Market Presence
Indirect Economic Impacts
Procurement/Sourcing Practices





#### SFTA Member:



# Materiality

#### Greenhouse Gas Emissions

#### SCOPE 1



DISTRIBUTION	2016	2017	2018
Fleet CNG			
Fleet 20% biodiesel	1071	1107	1035
Propane			



ENERGY	2016	2017	2018
Natural gas	27	125	107
Electricity	37	135	186

Greenhouse gas (GhG) measurements help us track and reduce our company's impact on the atmosphere through our operations.

- Energy: Electricity in Lane County is very clean, creating only 27 lbs CO<sub>2</sub> per MwH.
- Total: GloryBee generated 1462 tons of CO<sub>2</sub> in 2018, which is equivalent to 175 homes' electricity for a year.
- Goal: Reduce CO, to 1000 tons by 2020.







TRAVEL & WASTE	2016	2017	2018
Employee commuting			
Business travel	304	459	241
Waste disposal			







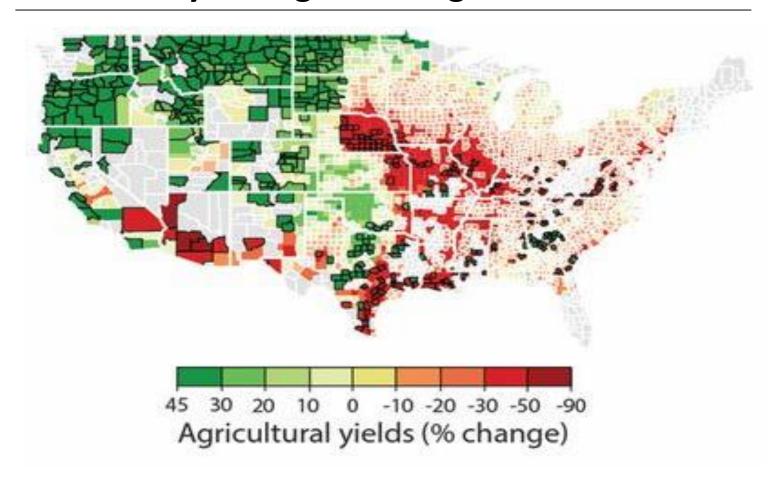
#### 1c. Climate Risk Analysis

- Mitigation vs. adaptation generally focused on adaptation
- Types of risks identified and assessed
  - Mitigation: new laws that alter business activities or costs ex. Refrigerants or fuels
  - Adaptation: physical (temperatures, extreme events, water supply), market and infrastructure risk key analysis but focused on impacts to supply chain and operations





# Changes in yields – Where are your ingredients grown?

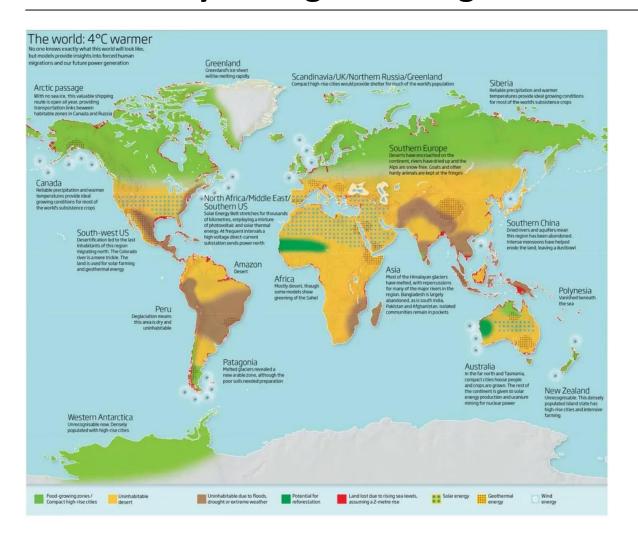


Source: Estimating economic damage from climate change in the United States





# Changes in yields – Where are your ingredients grown?



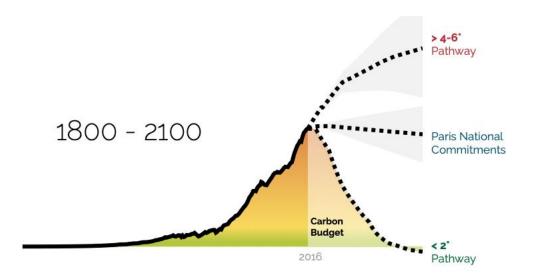






### 2. Goal Setting - Internal vs. Science-based

- Internal Approach
  - Qualitative programmatic
  - Quantitative non-SBT goals
- Science Based Targets SBT
  - GHG reductions based on "fair share" of emissions in line with keeping warming to 1.5, WB2C and 2ºC





DRIVING AMBITIOUS CORPORATE CLIMATE ACTION







### 2. Goal Setting: SBTi approaches

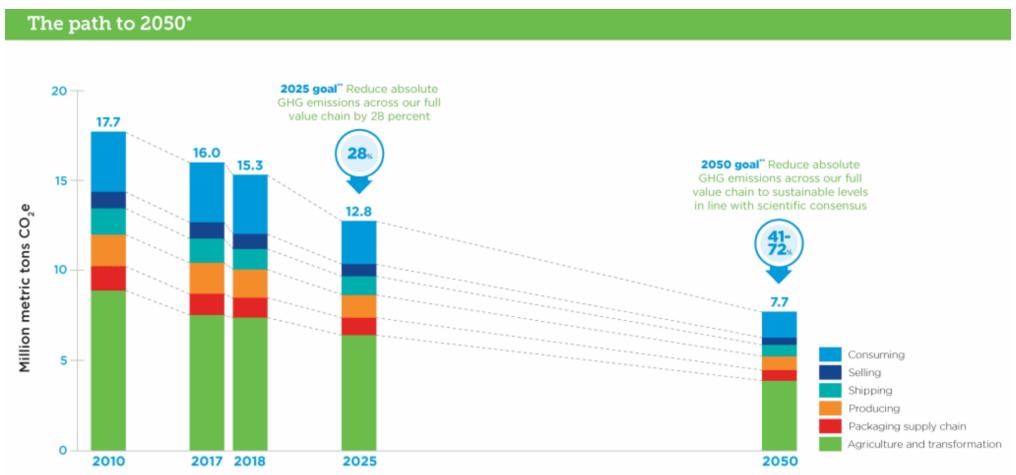
- Modeling Options
  - Generally trajectory is based on level of commitment 1.5C, WB2C and 2C.
  - Operational vs. supply chain emissions (control vs. influence)
  - Scope 3 target required if emissions > than 40% of total
  - Food sector methodology and options for reporting evolving
- Timeframe
  - Model annual and total Scope 1, 2 and 3 reductions in short and longterm (~2025-2030 & 2050)







### 2. SBT Example – General Mills



Source: General Mills, 2019 Global Responsibility Report



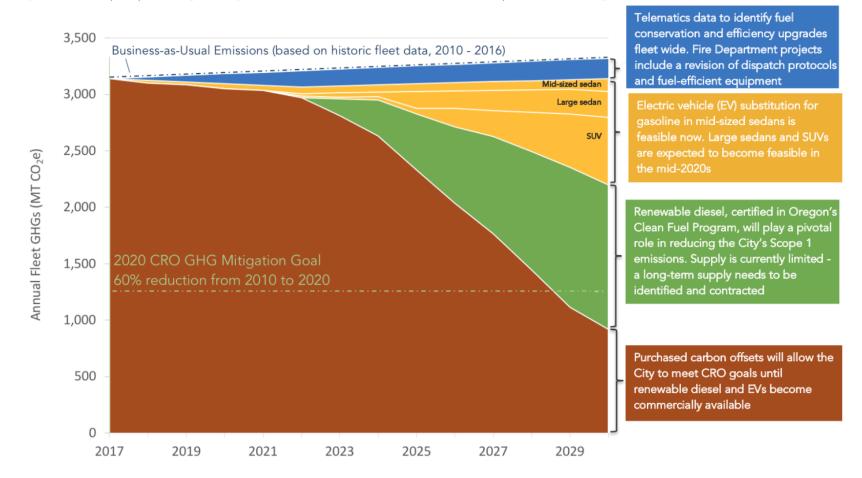




#### 2. SBT Example – City of Eugene

1.1. ESTIMATED TIMING OF GHG REDUCTIONS – FOR COST-EFFECTIVE FLEET ACTIONS (COMPARED TO OFFSETS @ \$15 / 1 MT CO₂E)

Figure ES-1: Graphic predicting the City's GHG emissions (brown area) over time compared to CRO targets.

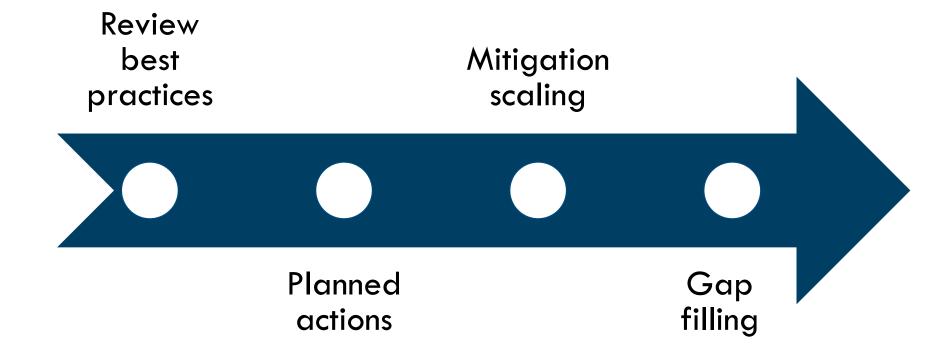








### 3. Develop a Climate Action Plan









## 3a. Review best practices for climate mitigation



- Fertilizer efficiency
- Cover & intercropping
- No-till farming
- Low carbon foods



- Building & lighting efficiency
- HVAC systems
- Efficient equipment
- Energy audits
- White roofing



- Coordination with community & supply chain partners
- Composting
- Storage & cold chain management



- Reforestation & agro-forestry
- Reduce land use change impacts



- Carbon pricing
- Renewable energy legislation







### 3a. Best practices for climate mitigation



- Use post-consumerrecycled content inplace of virgin materials
- Conduct LCA to identify opps for reductions
- Collaborate with partners to identify solutions



- On-site renewables
- Power Purchase Agreement (PPA)

Purchase green energy or renewable energy credits (RECs)



- Natural refrigerant options
- Audit & monitoring of pollutants
- Reduce ag contribution– livestock & field

burning



- Electric and low-carbon fuels
- EPA SmartWay
- Telematics & fleet efficiency
- Increase rail transport mode
- Multi-modal options for employee commuting







Reduced food waste

## 3a. Best practices for climate mitigation

### Project Drawdown: 12 of top 20 solutions relate to food

	Farm	Processing/Distribution/Retail	Households
	Silvopasture Regenerative agriculture Temperate forests Peatlands Tropical staple trees Afforestation Conservation Agriculture Tree intercropping	<ul> <li>Refrigerant management</li> <li>Reduced food waste</li> </ul>	<ul> <li>Plant-rich diet</li> <li>Reduced food waste</li> </ul>
•	Managed grazing		

Source: Project Drawdown







### 3b. Identify existing and possible actions

- Decide which common actions are relevant
- Take stock of existing actions
- Determine what your company's version of best practices would look like
- Determine which can be done soonest or offer the best value (co-benefits)







## 3c. Mitigation & co-benefits scaling

- Mitigation scaling
- Co-benefits scaling
  - Improves equity
  - Supports adaptation
- Easy to do? Largest benefit?
- Low price per tonne?
- Need to do action anyway?







## 3d. Gap Filling

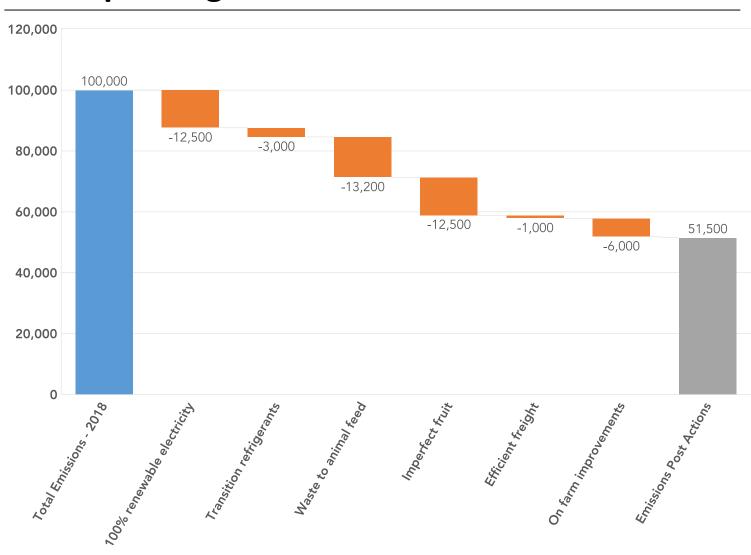
- Quantification of target with actions
- Review of best practices not chosen
- Action prioritization







## 3d. Gap Filling – Confidential Client









## 4. Measure and Report

- Measurement rough scaling vs. detailed
  - Compare performance to baseline
  - Revisit or repeat footprinting and SBT analysis if need be
- Reporting & communication
  - Standalone document? Combine with financial reporting?
  - Internal vs. external communication







### 4. Measure and Report – Confidential Food Client

#### 2019 Low Carbon Transition Plan Contents

- GHG profile past performance & projects
- Plans and measures targets, hotspots, scaling actions
- Projected risks and business changes management, risk by location, approach and changes
- Management and policy mission, materiality, reporting
- Business model and supplier engagement model, supply chain engagement, projected impacts and next steps





### **Closing Thoughts**

- We must act
- Be purposeful no time for feel good actions without scale







### **Questions? Connect with Us**



Joshua Proudfoot, Principal
541.341.4663 x213
joshua.proudfoot@goodcompany.com



Analysis. Action. Repeat.

**Action Planning Tools** 

10. April. 2019





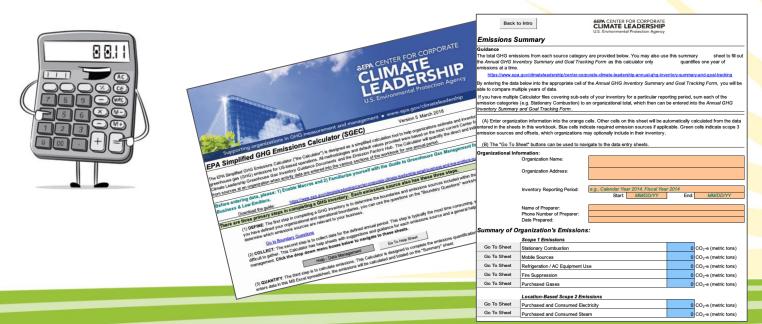
# **CLIMATE ACTION PLANNING TOOLS**

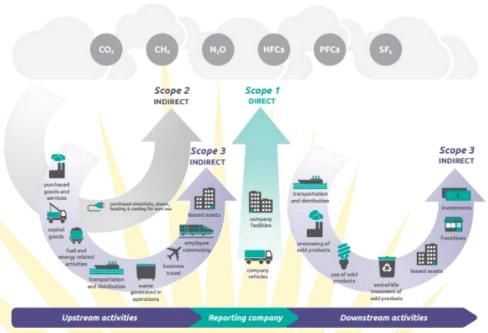




### **Tools: Hotspots and Impacts**

- GHG Protocol: Scope 1,2, & 3 Emissions Explanation
- GHG Protocol: GHG Calculation Standards
- GHG Protocol: Emissions Calculators
- GHG Protocol: Scope 3 Evaluator
- EPA: Simplified GHG Calculator







\*\*\*\* AQUEDUCT

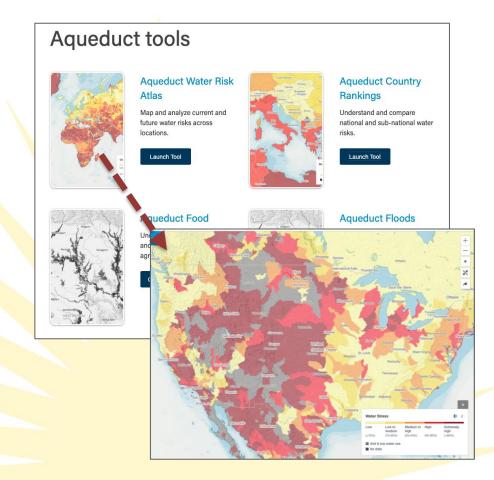


WWF: Water Risk Filter

WRI: <u>Aqueduct Water Risk Atlas</u>

CDP: Global Climate Analysis

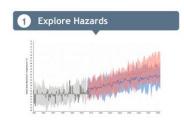
NOAA: U.S. Climate Resilience Toolkit



#### STEPS TO RESILIENCE

Use this framework to discover and document climate hazards, then develop workable solutions to lower climate-related risks. Watch the overview video or click any step to learn more.



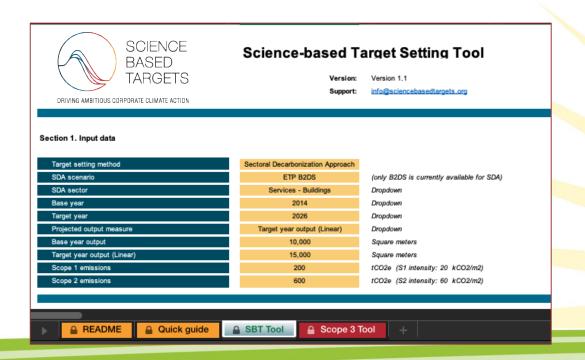




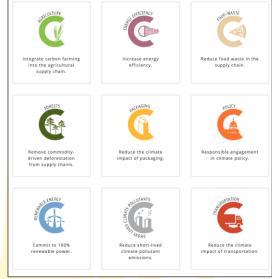




- Climate Collaborative: Nine Commitments
- SFTA: Member Sustainability Reports
- SFTA: Climate Metrics Guidance (available to SFTA members)







- SBTi: Science-Based Target Setting Tool
- SBTi: Step-by-Step Guide



### **Tools: Reporting & Communication**

DIRECTORS

SECRETARY PETER GOLBITZ

**RENAUD DES** ROSIERS Amy's Kitchen

CARLA DAVIS

MANUEL GORRIN

NOVA SAYERS NSF Internationa

**Executive Director** 

LISA SPICKA Associate Directo

Reporting and **Analytics Specialist** 

#### **MEMBER PROGRESS** REPORT 2018

## IN 2018, 37 SFTA MEMBER COMPANIES REPORTED AND...

OF MEMBERS' SALES ARE FROM **ORGANIC PRODUCTS** 



OF MANUFACTURER'S PACKAGING IS RECYCLABLE BY CONSUMERS



85% AVERAGE WASTE DIVERSION



64% FORMALLY ENGAGE PARTNERS IN SUSTAINABILTY IMPROVEMENT EFFORTS



GENERATE RENEWABLE ENERGY ON SITE



PROGRESS FOR THEIR BUSINESSES AND THROUGHOU THEIR SUPPLY CHAINS.



### Metrics, Measurement, Techniques

- Second Nature: Carbon Mgmt. & GHG Mitigation Handbook
- SFTA: SFTA Sustainability Metrics Framework
- SFTA: Climate Metrics Guidance (SFTA members)

### **External Reporting**

2018 Results Published this week!

- SFTA: Annual Member Progress Report
- SBTi: Case Studies

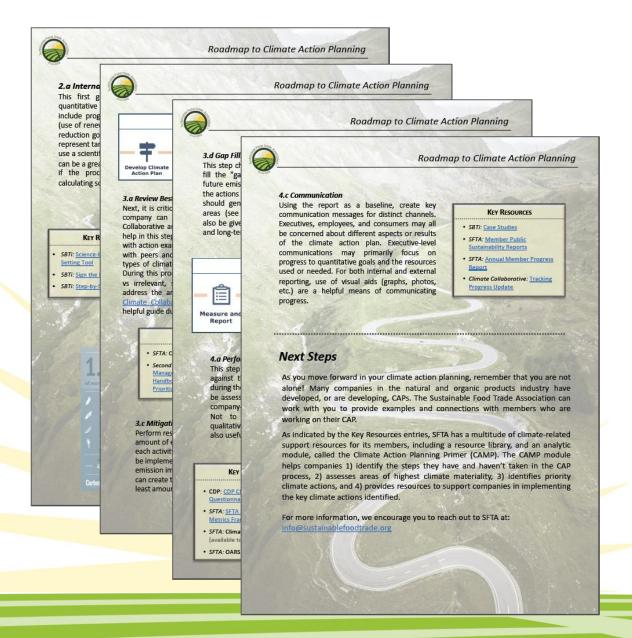






### **Roadmap to Climate Action Planning**







# SFTA's "CAMP" MODULE

# CLIMATE ACTION MANAGEMENT PRIMER





### What is the Climate Action Management Primer?

- SFTA Educational and Analytic service module
- Great entry-to-mid level Climate Action Planning tool



### **Outcomes**\*

- Education: Deeper dive on Climate Action Planning
  - One-hour Good Company instructional
- CAP Progress Assessment: Clear map of steps yet to take to complete a full CAP
- HotSpot Analysis: Understanding of highest climate-impact areas
  - Includes product hotspot map and customized materiality assessment for value chain
- Recommended Climate Actions: Prioritized actions to address high-impact areas

\* Please note these outcomes do NOT constitute a comprehensive climate action plan









Kickoff Meeting

#### **Support Resources**

(includes optional onehour expert consultation)

good b

Opportunity Assessment Meeting



Assessment Results Meeting

*Identify:* Climate Action Opportunities



Self-Assess: C.A.P.
Progress, Current
Practices, &
Climate Materiality

*Training:* Climate Action Planning



## About CAMP – Analytic Service Modules Family

CAMP

Available in November after

Exclusive

SFTA-Member launch!



#### **PLAN YOUR JOURNEY**

#### Materiality Assessment Process (MAP)

Need to identify the central components of your sustainability program?

- This tool and your SFTA guide will help to identify what sustainability efforts are most important to your company, and to identify gaps between that and what you are actually doing.
- Identify sustainability priority areas
- Map next steps, identify potential goals and key reporting areas

#### State of Sustainability (SOS)

Creating a new sustainability report or want to take stock of the sustainability activities in your organization? This tool and your SFTA guide helps you identify the practices, goals, and data your company already has in order to share your progress with customers, C-suite and/or investors.

- ◆ Identify existing information
- Build policies, SMART goals, and reporting data specifically for sustainable operations
- Provide recommendations for additional measurements to enhance reports

#### **STAY ON COURSE**

#### Opportunity Analysis and Resource Support (OARS)

- Committed to improvement? Now that you are on your way, this annual checkup with your SFTA guide strengthens your sustainability program by analyzing strengths and opportunities.
- Review comparative reports from the SFTA/B Lab impact assessment
- Catalyze additional action via specific feedback and follow-up consultation

### Supply Chain Assessment Notification (SCAN)

Want to engage your supply chain in becoming more sustainable?
Assess the sustainability performance of five of your key supply chain partners. The SFTA/B Lab impact assessment is used by your SFTA guide to collect data and identify where your suppliers are excelling or need improvement.

- Compare suppliers with similar operations
- Learn about strengths and opportunities
- Identify resources for supply chain engagement and education



# THANK YOU!

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707.407.5375

www.sustainablefoodtrade.org



### Discussion



Lisa Spicka
Associate Director
Sustainable Food Trade
Association
(SFTA)



Principal,
Good Company

#### CAMP Guide



Lisa Braun
Sustainability Reporting and
Analytics Specialist,
Sustainable Food Trade
Association





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- @theclimatecollaborative

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a project of



