All Together Now: Supply Chain Trends and Tools in Climate Mitigation
Climate Collaborative Commitment Areas

Agriculture
Integrate carbon farming into the agricultural supply chains

Energy Efficiency
Increase energy efficiency

Food-Waste
Reduce food-waste in the supply chain

Forests
Remove commodity-driven deforestation from supply chains

Policy
Responsible engagement in climate policy

Packaging
Reduce the climate impact of packaging

Renewable Energy
Commit to 100% renewable power

Climate Pollutants
Reduce short-lived climate pollutant emissions

Transportation
Reduce climate impacts of transportation
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...
How many companies have committed?

444 Companies Committing to Action

1710 Commitments
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
Tiger Cool Express
Traditional Medicinals
Trayak
Our Speakers

Moderator: Lisa Spicka
Associate Director
Sustainable Food Trade Association
(SFTA)

Verena Radulovic
Senior Program Manager
EPA Center for Corporate Climate Leadership

Rebecca Hamilton
Owner & Co-CEO
W.S. Badger Company

Carolina Leonhardt
Sustainability Project Manager
Clif Bar & Company
Coming Up

- Trends in Climate Management
- Building the SC Business Case
- Tools

- Overview of Sustainability Program
- Building Supply Chain Relationships

- Sustainability Pillars
- 50/50 by 2020 Program
Trends in Supply Chain GHG Management & EPA Tools and Resources

The Climate Collaborative
Webinar
October 16, 2019
• Companies demonstrate corporate climate leadership when they embed GHG management into mainstream business practices and reduce GHG emissions from their operations, electricity purchases and across their entire upstream and downstream value chains

• EPA’s Center for Corporate Climate Leadership builds institutional capacity such that corporations measure and reduce their GHG emissions across the economy

• The Center offers publicly available tools and guidance for GHG accounting, goal setting, emissions reductions.
Corporate GHG accounting framework
Supply Chain GHG emissions

**Current trends: GHG accounting + supply chain**

Trends in corporate GHG inventorying and reporting  
Dataset of 565 Fortune 500/S&P500 companies  
2018 data analyzed Summer 2019

<table>
<thead>
<tr>
<th>Activity</th>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>Calculates + publicly discloses GHG emissions from operations and purchased electricity</td>
<td>493</td>
<td>92</td>
</tr>
<tr>
<td>Calculates + publicly discloses some supply chain GHG emissions</td>
<td>413</td>
<td>152</td>
</tr>
<tr>
<td>Assesses the GHG impacts of major suppliers</td>
<td>348</td>
<td>217</td>
</tr>
<tr>
<td>Conducts third party audit of its GHG emissions from operations and purchased electricity + publicly discloses results</td>
<td>284</td>
<td>281</td>
</tr>
<tr>
<td>Conducts third party audit of supply chain GHG emissions + publicly discloses results</td>
<td>221</td>
<td>344</td>
</tr>
<tr>
<td>Completed materiality assessment on climate risk (for investors)</td>
<td>11</td>
<td>554</td>
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Source: CDP
• Science based targets (SBT) initiative
  – Developed by WRI, WWF, WBCSD
  – Companies reduce GHGs to stay within 1.5 degrees
  – Several hundred companies have committed to setting a SBT.
  – Companies must develop a Scope 3 inventory to set an SBT
  – If Scope 3 emissions comprise more than 40% of the total inventory, companies must include supply chain emissions as part of their SBT
Current trends: Goal setting + supply chain

Trends in Corporate Goal Setting to Reduce GHG Emissions
Dataset of 565 S&P500/Fortune 500 companies

Set an absolute GHG emissions reduction target for its operations and purchased electricity

- Yes: 250 Companies
- No: 315 Companies

Set a supply chain GHG emissions reduction target

- Yes: 65 Companies
- No: 500 Companies

Source: CDP
• Reduce risks associated with climate change that cascade across supply chain
  – Physical Risk
  – Reputational Risk
  – Regulatory Risk

• Respond to growing demand
  – Institutional purchasers asking for more sustainable products
  – Individual consumers increasingly scrutinizing companies’ environmental performance
  – Employee retention as younger employees asking companies take action
  – Investors asking companies to disclose climate risk
• Mid-size and smaller companies—many who are key suppliers to leading companies—lack of resources and management support to conduct inventories, set goals, execute on GHG reductions

• Companies lack a simple way to benchmark basic climate leadership efforts against peers and across sectors, making it more difficult—especially for companies newer to sustainability—to garner internal management support for accounting, goal setting, and GHG reductions
**Guidance:** Emerging Trends in Supply Chain Engagement

- Why engage suppliers? Building internal support
- Building awareness and gathering data
- Empowering action: reducing supply chain emissions

“Our supply chain is crucial to our final product. We share our best practices with our suppliers, because when they succeed, we all succeed”

– Jacklyn Watt, Director of Supply Chain Sustainability, Ford Motor Company

“Sometimes smaller suppliers feel that this [environmental management] is an extra cost, so we endeavor to help them appreciate that this is entry into doing business in the twenty-first century and that as our own experience has shown, good environmental management is good for business.”

- Louis R. Ferretti, Project Executive, Product Environmental Compliance & Supply Chain Social Responsibility, IBM
**Resource:** Simplified GHG questionnaire for suppliers

- Can be leveraged or used as a starting point for CDP supply chain reporting
- Provides suppliers who are less familiar with GHG accounting with an intro to GHG accounting questions from customer standpoint

**Background Information**

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**Environmental Policy and Targets**

Do you have a sustainability/environmental/green policy statement? Yes □ No □
Recap: The Center’s GHG inventory resources

**GHG Measurement Tools**

- GHG Emission Factors Hub
- Resources for Low Emitters
- Simplified GHG Emissions Calculator
- GHG Inventory Summary & Goal Form
- GHG Goal Setting
- GHG Reduction Programs and Strategies

**Step 1:** Select an operational or financial approach to define your organizational boundaries. The [Small Business and Low Emitter Guide to Greenhouse Gas Management](#) explains how to approach measuring GHG emissions, instructions for using the GHG Calculator and how to complete the Inventory Management Plan.

**Step 2:** Calculate GHG emissions using the [Simplified GHG Emissions Calculator](#). Additional guidance is available for measuring emissions from onsite combustion, purchased electricity, refrigeration, and air conditioning.

- Tips for Developing a GHG Inventory

**Step 3:** Document development of a GHG inventory to ensure consistency as your organization collects data each year to track progress toward reaching an emissions reduction goal using the [Simplified Inventory Management Plan Form](#) (14 pp, 284 K, August 2010).
The Center serves as a comprehensive portal for sustainability directors to assess broadly GHG reduction opportunities for their companies and which EPA programs can help.

GHG reduction efforts include:
- Energy efficiency: products and facilities
- Renewable energy purchases
- Process efficiencies
- Combined Heat and Power

The Center: GHG reductions via EPA partnerships
Recent supply chain developments

- Corporations helping their suppliers access renewable energy
- Smaller suppliers in the U.S. creating renewable energy PPAs with other companies to leverage economies of scale
- Suppliers responding to product sustainability procurement standards
- Retailers seeking to stock products with a lower GHG emissions footprint
Contact

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https://www.epa.gov/climateleadership
Badger’s Sustainability Program

Presented by: Rebecca Hamilton, Co-CEO, W. S. Badger Company
Overview

**Site specific climate action**
- Onsite regenerative project
- Onsite solar and renewable energy
- Save every drop
Building Supply Chain Relationships to Catalyze Climate Action
How to identify strategic supplier partnerships
Using supplier summits to catalyze action

1st Summit - Align on Common Goals
2nd Summit - Identify more specific environmental goals
3rd Summit - Review goals set, measurement, progress
Top 4 Takeaways

- Relationships come first
- Relationships and influence are a slow build
- Must “walk your talk”/be the experts
- Align on common interests
All Together Now
Supply Chain Trends and Tools in Climate Mitigation

Carolina Leonhardt
Sustainability Project Manager
CLIF BAR & COMPANY

- Organic energy food
- Family and employee-owned
- HQ in Emeryville, California
- Bakeries in Idaho & Indiana
Partnerships and commitments provide structure, guidance and community.
Green Power for Clif facilities
Reducing emissions from shipping and transitioning to EVs
Setting targets and reporting progress
Supporting strong climate policy
GREEN POWER
WE TREAT
ENERGY LIKE AN INGREDIENT

Why are we using clean, renewable energy at our warehouse? At CLIF Bar, we treat energy like an ingredient. We want all the ingredients that go into our products to be good for people and the planet. Clean energy means cleaner air, cleaner water, and a healthy climate for everyone.

This solar farm has over 2,000 individual solar panels installed across 164 ground-mounted arrays and 3 solar canopies. At peak production, the system will generate 2,300 MWh of clean energy per year. This is equal to the electricity used by nearly 300 average homes a year.

100% Grain Power
CLIF Bar is committed to using 100% clean, renewable electricity. For the barases we don't grow on the farm, we purchase renewable electricity from the cooperative. The electricity is eligible for the green power certificate.

Our measurements in this sign are based on the peak month and the peak week. At our warehouse, we purchase and use renewable energy for all our energy needs.
50 supply chain facilities using 50% or more green power for the electricity used to make Clif products

We offer:
• Free, expert consulting
• Awards & Recognition

44 facilities = 15 MW Solar Capacity Equivalent
EMPOWERING OUR PEOPLE
SOME TAKEAWAYS

• Partnerships provide structure, guidance and community

• Go in 50/50 and recognize supplier achievements

• Think beyond the typical supply chain
Discussion

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