



# *The Role of Offsets in a Credible Net Zero Action Plan*

November 10, 2021

# Climate Collaborative Commitment Areas



Integrate carbon farming into the agricultural supply chains



Increase energy efficiency



Reduce food-waste in the supply chain



Remove commodity-driven deforestation from supply chains



Reduce the climate impact of packaging



Responsible engagement in climate policy



Commit to 100% renewable power



Reduce short-lived climate pollutant emissions



Reduce climate impacts of transportation

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## THANK YOU TO OUR DONORS

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# THANK YOU TO OUR DONORS!

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White Leaf Provisions  
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Yellow Emperor



# Our Speakers



**Moderator: Courtney Pineau**  
*Executive Director*  
**Climate Collaborative**



**Claire Lafave**  
*Manager of Client Strategy*  
Native



**Jim Giles**  
*Senior Analyst for Carbon*  
GreenBiz Group



**Elysa Hammond**  
*Executive Fellow, Regenerative Business  
and Climate Solutions*  
Clif Bar & Company





# **An Introduction to Net Zero Frameworks**

*November 10, 2021*

NET  
NEUTRAL  
NEUTRAL  
RACE  
PLEDGE  
GET



CARBON  
CLIMATE  
ALIGNMENT  
CLIMATE  
2030 2040 2050  
RIGHT B

# GET NET ZERO

# RIGHT

**1**  
IS IT ABOUT  
NOW?

50% REDUCTION BY 2030

**2**  
IS THERE A  
PLAN?

AMBITION TO ACTION

**3**  
IS IT FAST  
ENOUGH?

BEFORE 2050

**4**  
CAN YOU SEE  
PROGRESS?

TRANSPARENCY +

**5**  
WHAT DOES  
IT COVER?

SCOPE OF COMMITMENT

**6**  
IS IT JUST  
OFFSETTING?

PRIORITISE REDUCTION





Net zero emissions applies to **Scope 1, Scope 2, and most relevant Scope 3 emissions** and is achieved by **reducing emissions wherever possible** and using **verified offsets, emphasizing carbon removal projects**, to balance emissions that cannot be eliminated.



## SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

1. Achieve science-based target:
  - a. Near-term targets and rapid action to reduce emissions over 5-10 years in line with 1.5C
  - b. Long-term decarbonization of 90-95% across all scopes before 2050
1. Use carbon removals to neutralize emissions that cannot yet be eliminated (5-10%)
1. Achieve external verification of corporate net zero targets and annual progress reports

# Areas of Alignment

- 1. Build a plan of action for reducing your footprint
- 1. Measure and report progress on scopes 1,2, and 3
- 1. Take responsibility for residual emissions

# Areas of Divergence

	Date Net Zero is Expected By:	Significant scope 1,2, and 3 reductions required	Residual emissions must be balanced by removals
<b>Oxford</b>	2050	—	
<b>B Corp</b>	2030		
<b>SBTi</b>	2050	✓	✓

## Quick plug: What about climate advocacy?

Even if every company in the world were to commit to decreasing its emissions in line with the goals of the Paris Agreement, we would still be far from meeting our targets...

Without corporate support, science-based climate policies struggle to generate sufficient political capital. Put simply, corporate climate leadership requires corporate climate policy leadership.

-Amy Meyer and Eliot Metzger,

WRI

# Avoidance vs. Removals



## Removal offsets come from projects that sequester carbon dioxide.

- Soil carbon sequestration through regenerative grazing or cropping practices
- Reforestation and agroforestry
- Wetland restoration
- Carbon capture technology



## Avoidance offsets come from projects that prevent emissions that would have otherwise occurred.

- Renewable energy production as a replacement for fossil fuels
- Protection of natural ecosystems that would otherwise be converted to cropland
- Landfill gas capture and flaring
- Replacing firewood usage with water filters and/or cookstoves





**Thank you!**

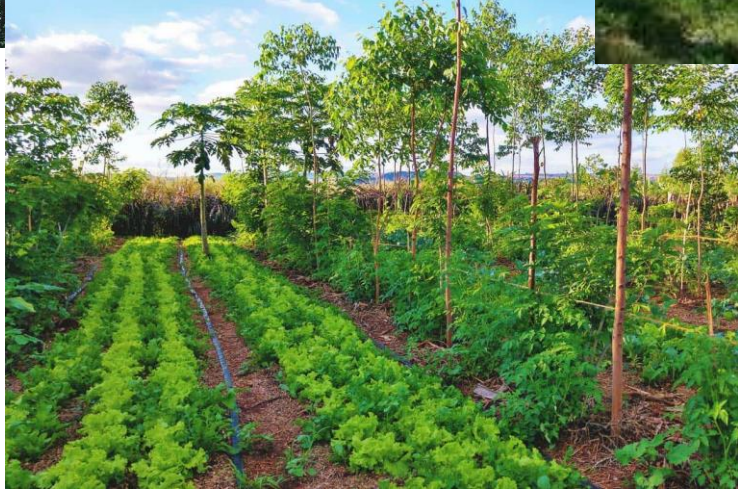
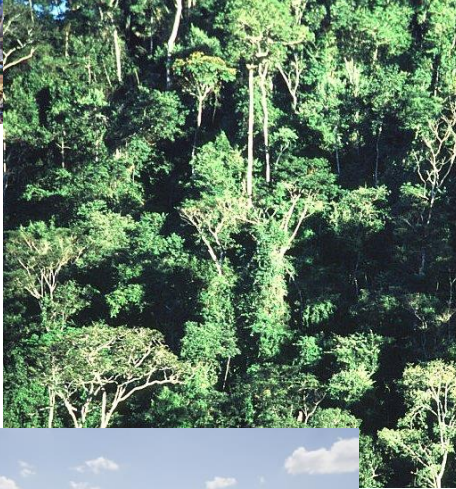




# What is an offset?

A payment that ensures either

- emissions are avoided or
- carbon is removed from the atmosphere.



# What makes a good offset?

- Additional

# These Trees Are Not What They Seem

How the Nature Conservancy, the world's biggest environmental group, became a dealer of meaningless carbon offsets.

By Ben Elgin

Published: December 9, 2020, 2:00 AM | Updated: December 9, 2020, 12:15 PM

# **What makes a good offset?**

- Additional
- Durable



# Bootleg Fire is burning up carbon offsets

By Daniel Wolfe and [Tal Yellin](#), CNN

Updated 5:27 PM ET, Thu July 22, 2021

# What makes a good offset?

- Additional
- Durable
- Doesn't cause leakage





# What makes a good offset?

- Additional
- Durable
- Doesn't cause leakage
- Can be measured and verified



# **How do I buy with confidence?**

- Look for recognised methodology



Gold Standard<sup>®</sup>



# **How do I buy with confidence?**

- Look for recognised methodology
- Ask questions about specific projects





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# **How do I buy with confidence?**

- Look for recognised methodologies
- Ask questions about specific projects
- Build on existing research



# Microsoft carbon removal

Lessons from an early  
corporate purchase

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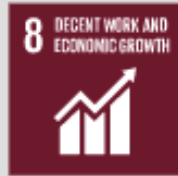
# How do I buy with confidence?

- Look for recognised methodologies
- Ask questions about specific projects
- Build on existing research
- Use a portfolio approach to address uncertainty
- Over-provision

# **Other things to consider**

- Co-benefits

# BIOGAS



VALUE  
CREATED



Social cost of carbon for the value of the CO2e saved

Social cost of carbon for black carbon + organic carbon

Decrease in deforestation

Financial savings from reduced fuel use + increased job opportunities

Reduced respiratory illnesses + death



# **Other things to consider**

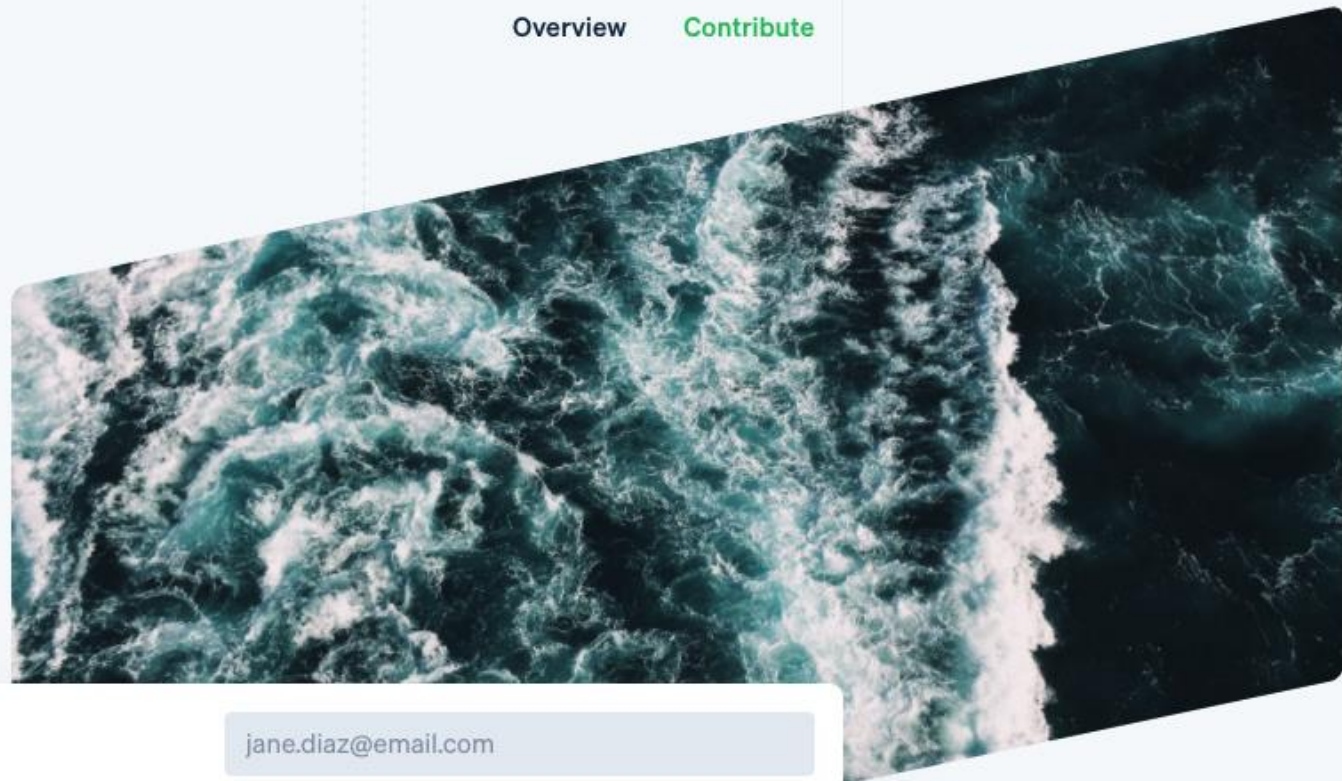
- Co-benefits
- Building the market for removals



# Support frontier carbon removal

Contribute to Stripe Climate and join a growing coalition of forward-thinking businesses and individuals changing the course of carbon removal.

Overview [Contribute](#)



Email

Amount

USD ▾

Stripe contributes 100% of your funds towards carbon removal projects, minus any fees charged by third parties. Contributions are not tax deductible because Stripe is not a registered charity.

[Contribute >](#)

# Other things to consider

- Co-benefits
- Building the market for removals
- Invest in transforming your ecosystem

# Clif Bar's Climate Journey: Offsets as a Catalyst for Change

Elysa Hammond  
Clif Bar & Company  
November 2021





# Why Net Positive?

- Align emissions reduction with science
- Create solutions at scale
- Help build the movement



# Climate Neutral Business Operations since 2002



## *Why?*

Put a stake in the ground on climate.  
Demonstrate responsibility by taking action.  
Supports our 5-Aspiration business model.

## *What's in scope?*

Energy use by HQ, bakeries, marketing fleet, business travel, and shipping from bakeries to distribution centers.

## *How?*

Gold Standard offsets and RECs that generate co-benefits.  
40 projects supported since 2002

# Clif Bar's evolving offset strategy: Generate impacts beyond offsets. Get closer to operations. Align with SBT. Help Build the Movement.

Educate, Inspire, Engage



Focus on Projects Closer to Bakeries and Within Agricultural Communities



Align to SBT and NET ZERO Targets



## 2002-2010

### Multiple projects with community benefits:

- 1<sup>st</sup> tribal-owned utility-scale wind turbine
- Greensburg, KS - Rebuild Green
- 17 farmer-owned turbines
- 30,000 Cool Tags



## 2011 - 2021

### Increased renewable energy production near Clif bakery in Indiana

Helped build seven school- and community-owned wind turbines.

**Improved access to clean water** and created a connection to cocoa/coffee supply communities.

**Invested in on-farm Solar RECs** with pollinator habitat

## 2021+

### Deeper engagement within ag supply chain and with suppliers

Offsets to Insets?



## Impacts from our 40 projects

**310,000 total tons carbon offset since 2002\***

Includes multiple wind projects, 1 landfill biogas, 500+ household water filters in communities Ghana and Honduras

*That's equal to not driving 780,000,000 miles, or taking 67,000 cars off the road for a year*

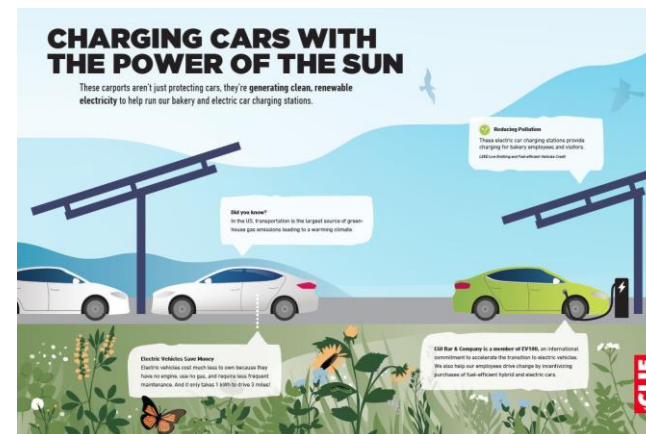
### **Example Co-benefits**

- **Public engagement** - 30,000 Cool Tags sold to Clif fans at music and athletic events
- **Educating students** - Wind energy now part as part of Indiana science curriculum
- **Clean drinking water** - 10,000 people have access to clean water for 10 years through our support of clean water projects
- **Solar-grown honey!** Beehives co-located with on-farm solar panels

# Impacts Beyond Offsets



Public engagement  
HQ solar array  
Cool Car employee benefits  
Policy action





# Building the movement

Maintain climate neutral business operations with *Help Build* offsets



Organic & Certified Sustainable ingredients



Bakeries built to LEED standards.

Set science-based targets and publicly report climate impacts

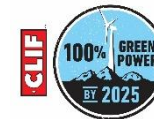


100% Green Power for all CLIF facilities.

Committed to restoring forest ecosystems



Eco-friendly caddies, Compostable wrapper in progress



Help supply chain partners transition to green power.



Zero Waste certified bakeries



Reduce emissions and fuel use



Transition to 100% electric fleet and EV charging at all facilities





# Discussion



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