



Nelson Institute for
Environmental Studies
UNIVERSITY OF WISCONSIN-MADISON

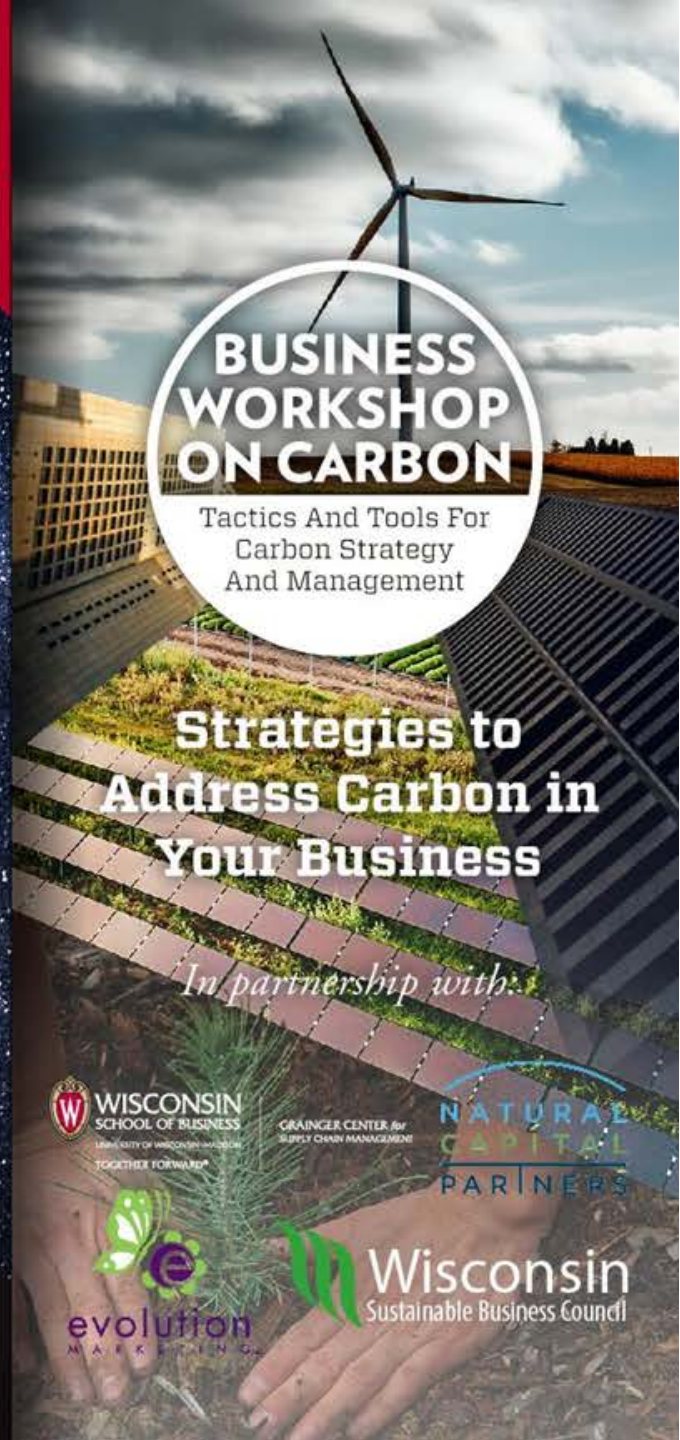
NELSON
Year of the Environment

ASPIRING FOR SUSTAINABILITY
STRIVING FOR JUSTICE

Crafting the Planet



@nelsoninstitute
#NelsonEDC



**BUSINESS
WORKSHOP
ON CARBON**
Tactics And Tools For
Carbon Strategy
And Management

**Strategies to
Address Carbon in
Your Business**

In partnership with:



GRAINGER CENTER for
SUPPLY CHAIN MANAGEMENT



Strategies to Address Carbon in Your Business

**Business Workshop On Carbon:
Tactics And Tools For Carbon Strategy And
Management.**



Wisconsin

Sustainable Business Council™

Educate | Measure | Improve | Connect

Our mission is to advance sustainable principles and practices forward through the power of business.

www.wisconsinsustainability.com



**Jessy Servi Ortiz,
Managing Director**

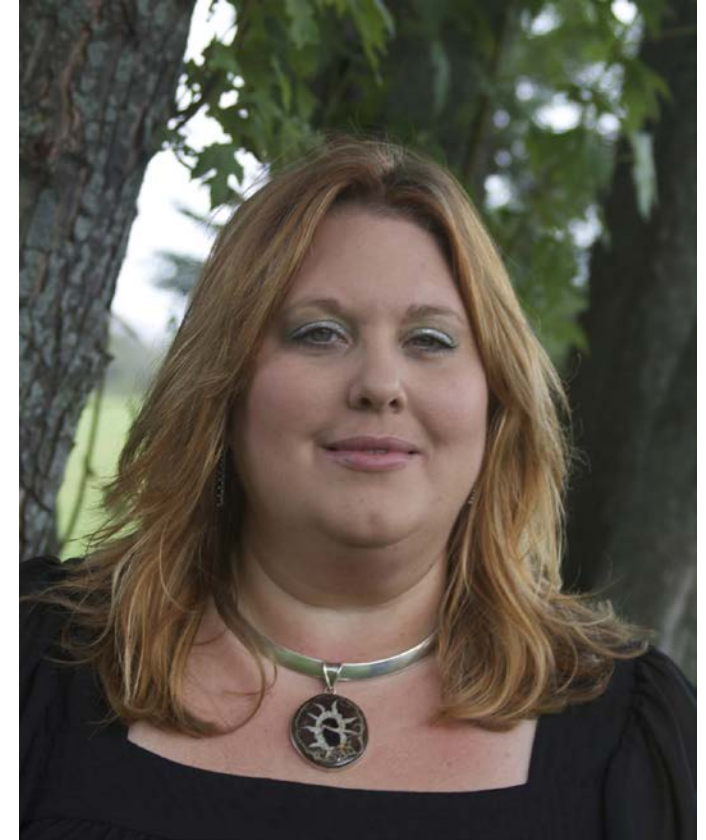
Speakers



**Kathy Kuntz, Climate Specialist
Dane County Office of Energy &
Climate Change**



**Melissa Vernon,
Director of Client Engagement,
Natural Capital Partners**

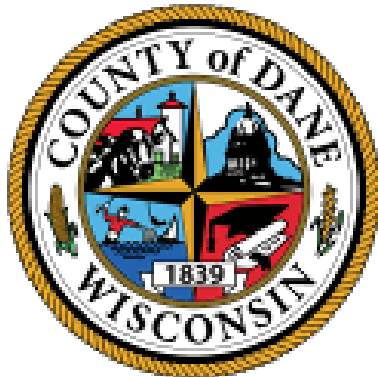


**Lisa Geason-Bauer, President,
Evolution Marketing, LLC**

POLLS

The Business Case for Climate and Carbon

Kathy Kuntz
Dane County Office of Energy & Climate Change



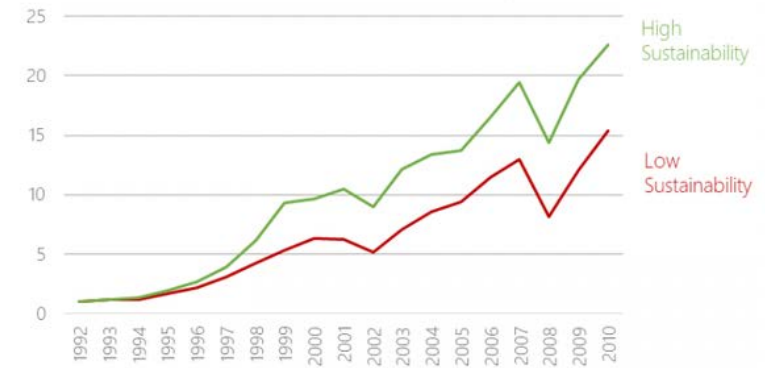
It Makes Financial Sense

- Operate lean
- Eliminate waste
- Mitigate risks
- Enhance resiliency
- Retain profits vs burning them

ESG & Market Performance

Stocks of sustainable companies tend to significantly outperform their less sustainable counterparts

Evolution of \$1 invested in the stock market in value-weighted portfolios



Source: Eccles, Robert G., Ioannis Ioannou, and George Serafeim. "The Impact of Corporate Sustainability on Organizational Processes and Performance." *Management Science* 60, no. 11 (November 2014): 2835-2857. http://www.nbs.edu/faculty/Publication%20Files/33511-101364011_6731edac-703a-4603-a20c-4a0c60a377a.pdf

Your Stakeholders Expect It

- Investors
- Customers
- Employees



Urgency, Expectations on the Rise

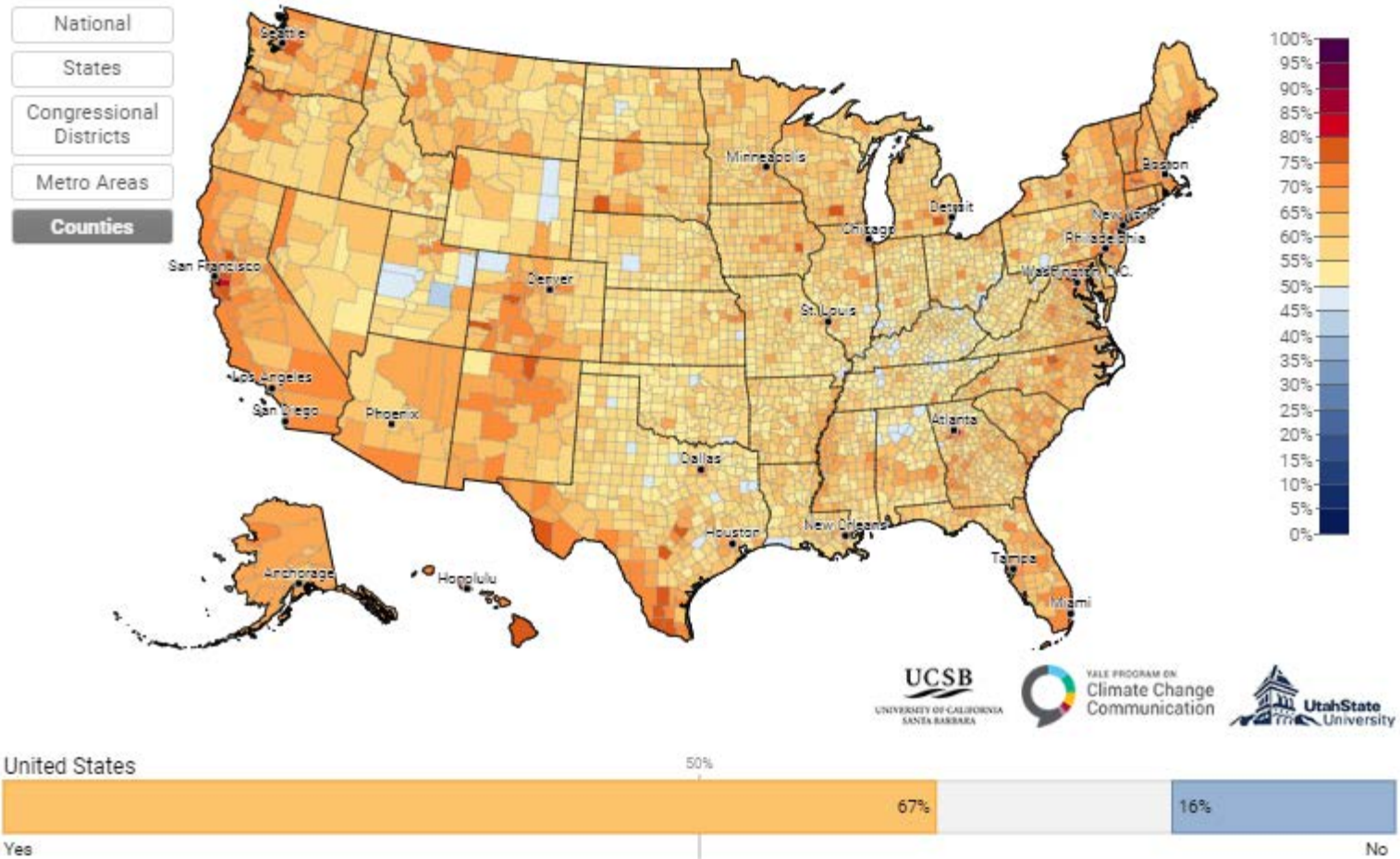


<https://www.ipcc.ch/sr15/>

The Debate Is Over

Estimated % of adults who think global warming is happening (67%), 2019

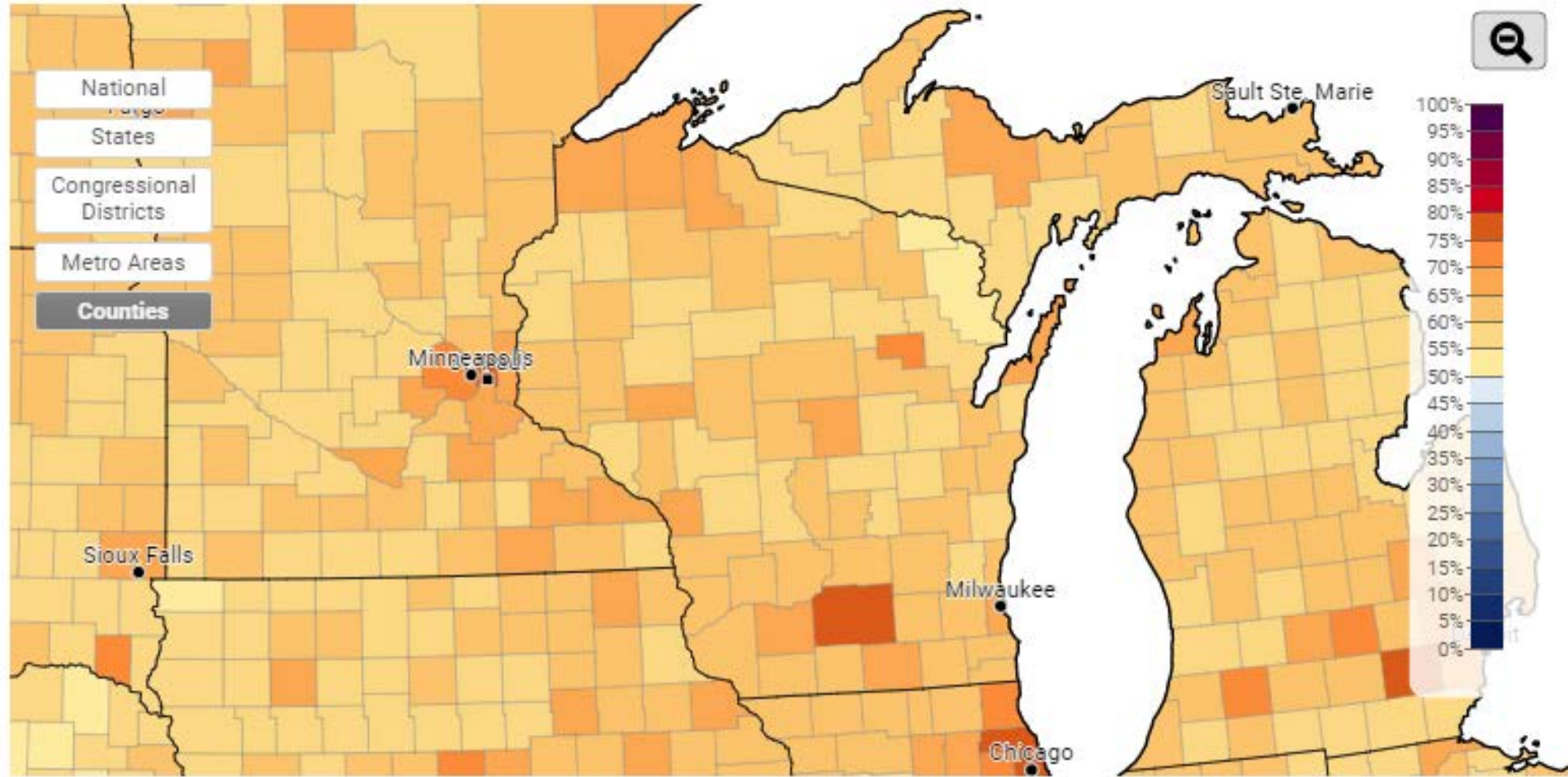
Select Question:
Click on map to select geography, or:



Estimated % of adults who think global warming is happening (67%), 2019

Select Question:

Click on map to select geography, or:



67%

in US

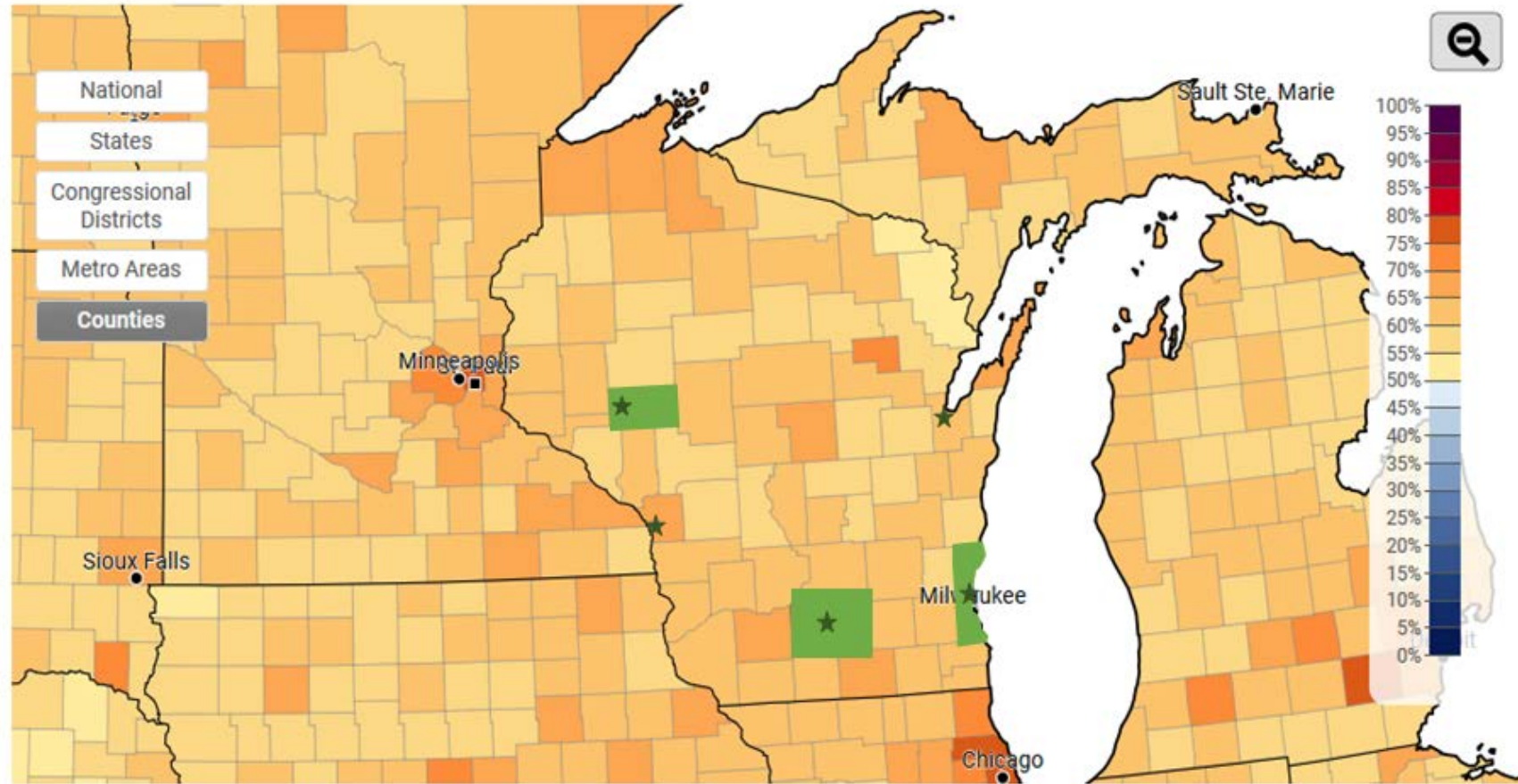
64%

in Wisconsin

Estimated % of adults who think global warming is happening (67%), 2019

Select Question:

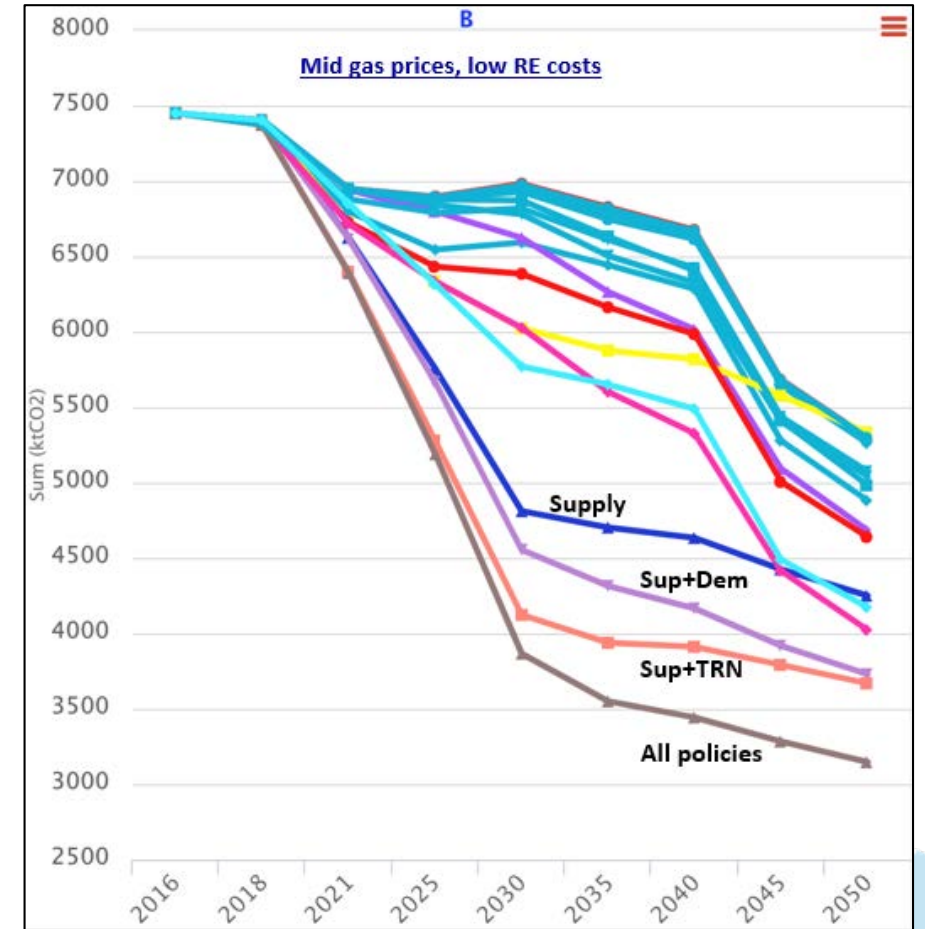
Click on map to select geography, or:



About
1/3 of
Wisconsin
residents live in
communities with
ambitious climate
goals.

Ambitious Climate Goals: Deep Decarbonization

- Reduce emissions at least 45% by 2030
 - Accelerate renewable energy
 - Increase efficiency in buildings
 - Electrify buildings, transportation
 - Reduce vehicle miles traveled (VMTs)
 - Expand manure digesters, renewable natural gas
 - Sequester more carbon (trees, ag practices)
- Engage everyone, deliver broad benefits
 - Economic prosperity
 - Equity and social justice
 - Health benefits
 - Rural-urban collaboration
 - Increased resiliency
 - Eco-system benefits



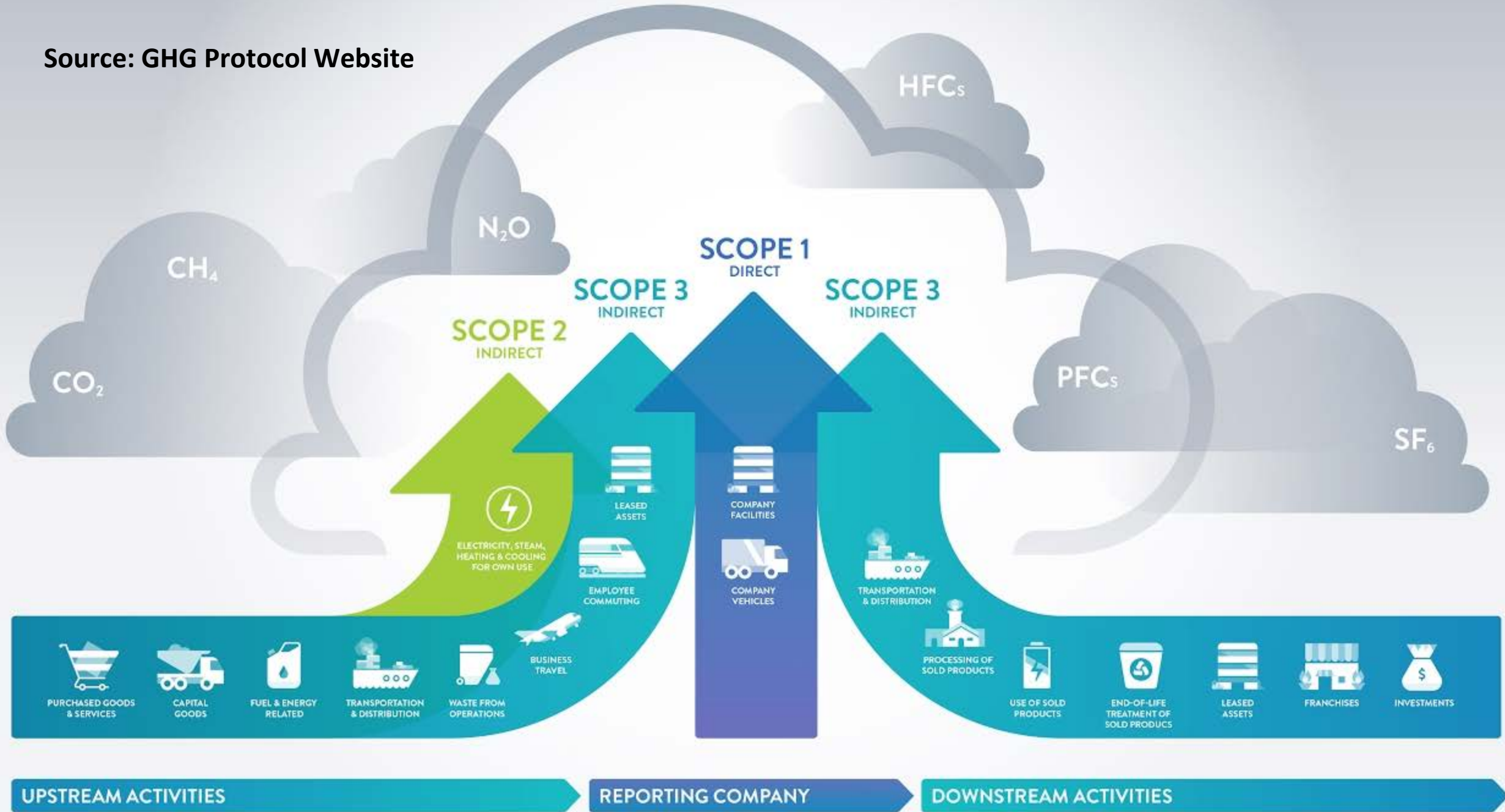
Opportunity NOW to Partner with Local Communities



Foundations and Progression



Source: GHG Protocol Website



The Carbon Journey



Gather Metrics for Consumed

~ Electricity / Gas / Steam
~ Fuel from fleet



Calculate GHG / Carbon Footprint



Make a commitment



Strategy for Internal Reduction



Strategy for External Offsetting



Communicate

You have your carbon footprint, now what?



Melissa Vernon
Director of Client Engagement
Natural Capital Partners
mvernon@naturalcapitalpartner.com



Who we are



In partnership with leading global businesses, we harness the power of climate finance to create a more sustainable world.



Delivering climate solutions for more than 300 clients in 34 countries



- Carbon neutrality - Renewable energy - Forest conservation and reforestation - Supply chain resilience - Water stewardship - Sustainable development



Partnering with more than 350 projects across the world



- Contracting 51 million environmental instruments from 67 countries

Developing innovative project solutions for our clients



- Bangladesh - Guatemala - India - Ireland - Kenya - Netherlands - US

Commitment to quality in everything we do



- Co-founded industry body ICROA - Comprehensive due diligence process - Winner of Environmental Finance awards for nine years – Launched and managed The CarbonNeutral Protocol since 2002

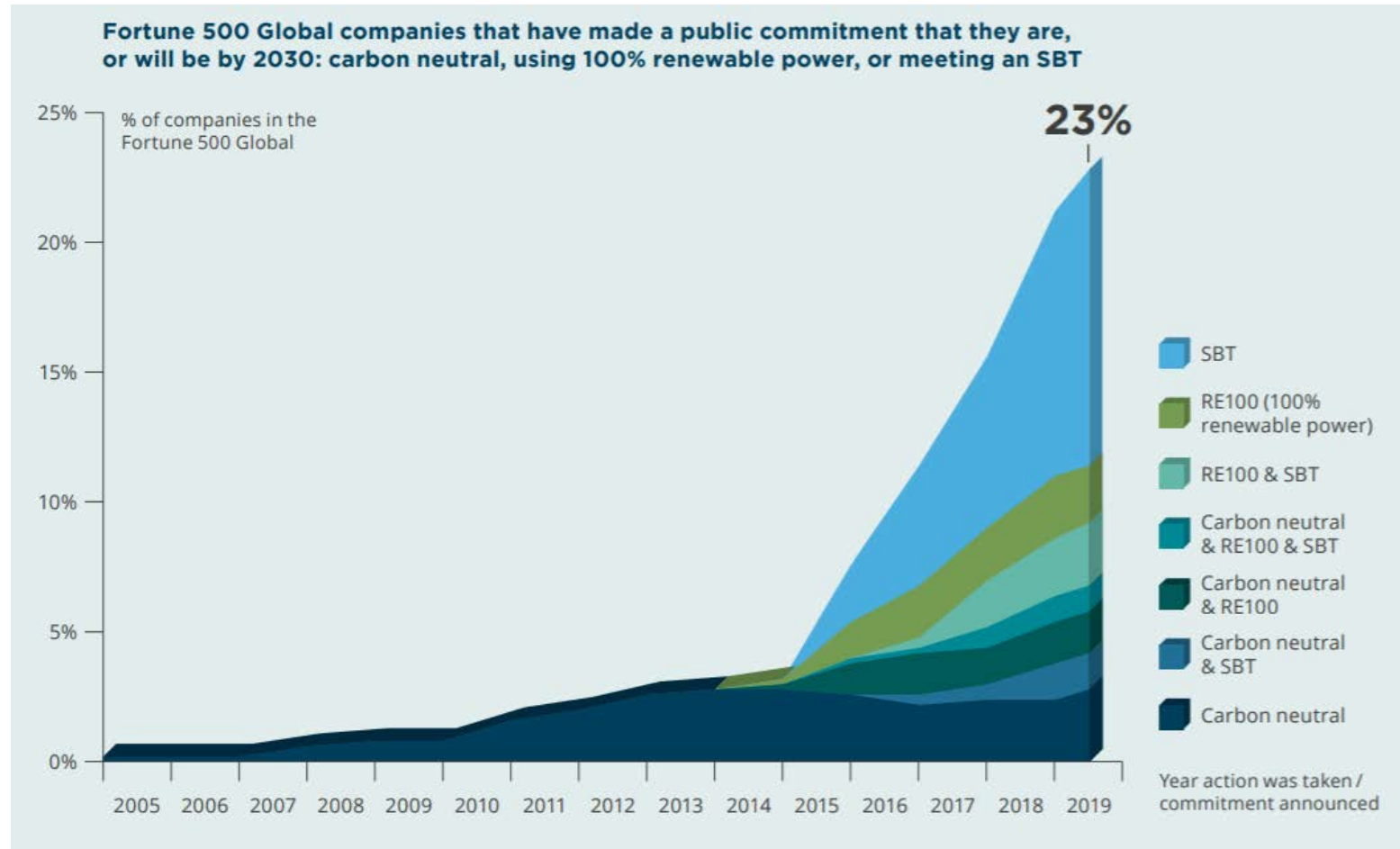


A global team of experienced professionals based in the US, UK, Ireland and Central America



A quarter of the Fortune 500 Global are taking climate action, with a rapid increase in commitments following the 2015 Paris Agreement

Summer 2019, we completed a survey of corporate climate action finding that **25%** of the Fortune 500 Global have made a public commitment that they are, or will be by 2030, carbon neutral, using 100% renewable power, and/or meeting a Science-Based emission reduction target (SBT).

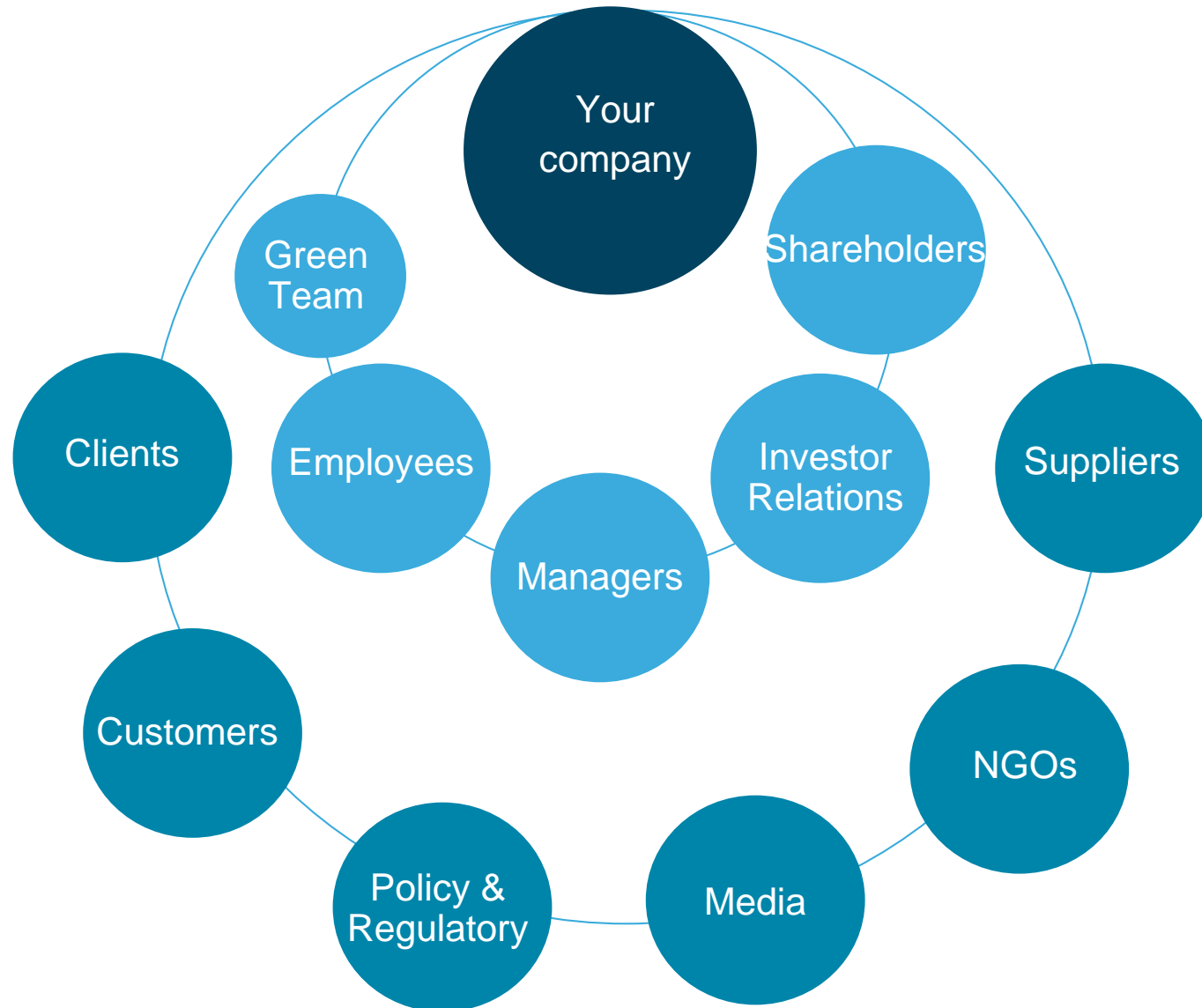


4x increase in the number of companies with actions or public commitments since the Paris Agreement in 2015 (from 31 companies to 114)

Access the full report including details of all commitments: [Deeds not words – the growth of climate action in the corporate world](#)

Commitments are driven by company priorities

Stakeholders – internal and external



Drivers and Sample Action Plans



Recruitment and retention of employees:
Microsoft



License to operate:
VMware (data centers)



Leadership in your sector:
Management consulting firms



Preference for 'green' products:
Microsoft, HP



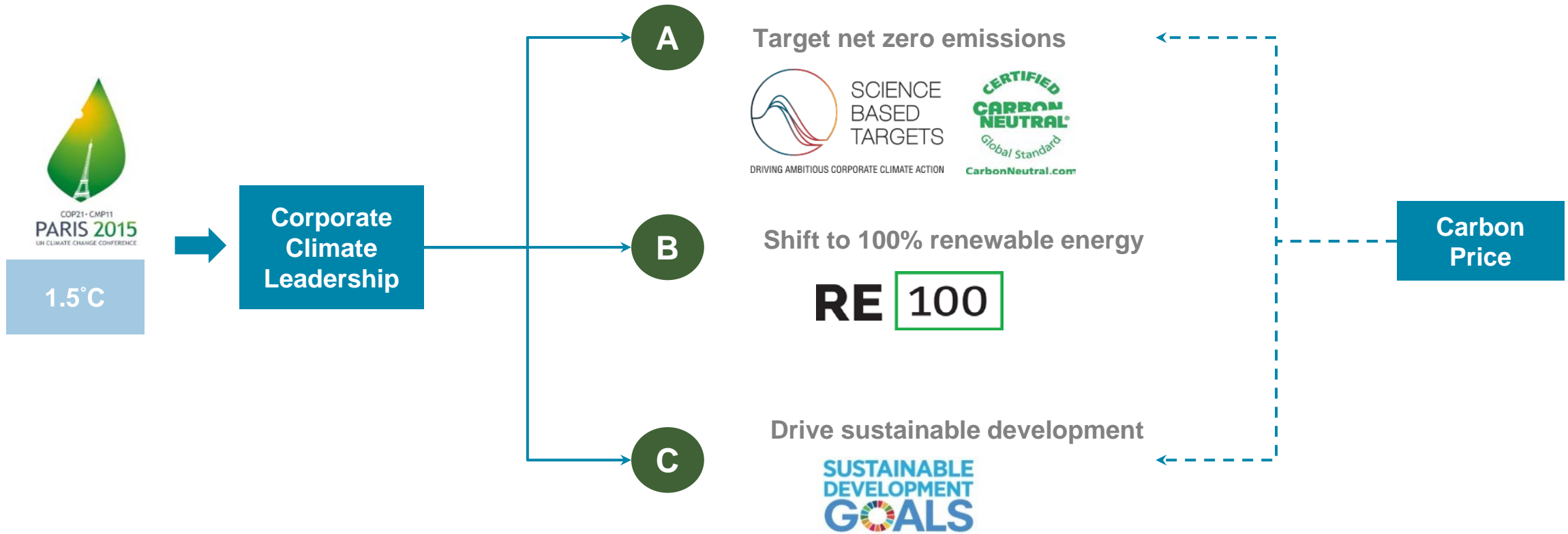
Brand reputation:
Wahaca restaurants



B2B supply chain:
Walmart vendors



Pathways towards corporate climate leadership

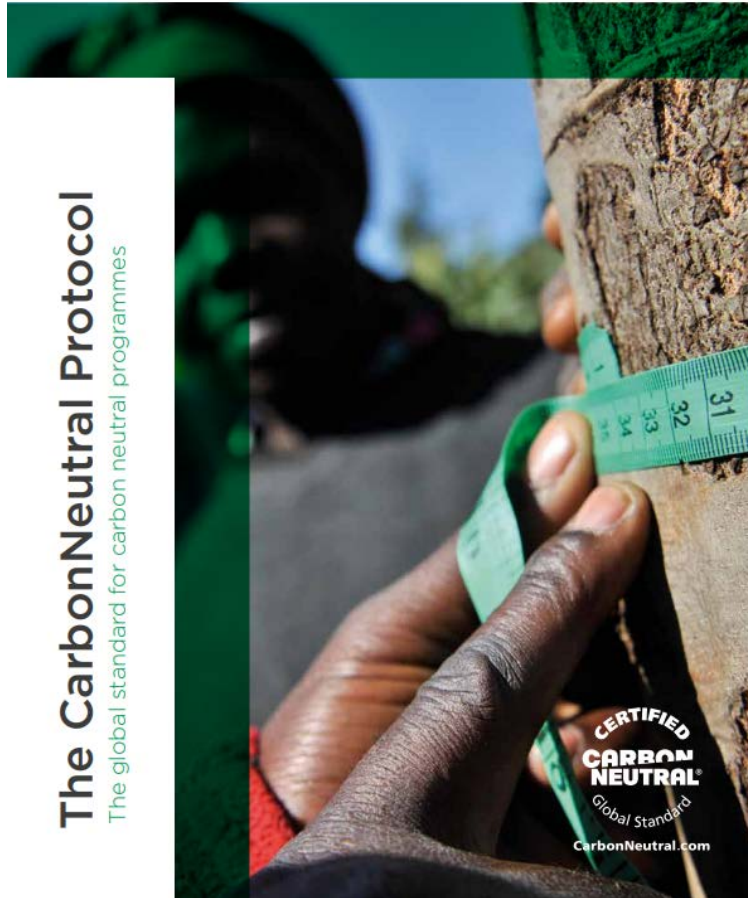


Carbon neutral: Condition in which the net GHG emissions associated with an entity is zero for a defined duration.

CarbonNeutral[®] certification: The process by which a client receives recognition that it has met the provisions of The CarbonNeutral Protocol for a specific subject.

CarbonNeutral® certification – entity, activity, product

January 2020



The CarbonNeutral Protocol
The global standard for carbon neutral programmes

GHG assessment emission sources				CarbonNeutral® entity certification							
Category	Emission source category (Aligned to the GHG Protocol: Corporate Standard and Value Chain Standard – numbers refer to the emission source numbering within the Value Chain Standard in Appendix 1.1)			Company/ Organisation/ Manufacturer	Couriers	Hotel	Department/ Division/Office	Operations	Data centres	Building/Office space/Venue	
				Scope 1	Direct emissions arising from owned, leased or directly controlled stationary sources that use fossil fuels and/or emit fugitive emissions (e.g. refrigerant gases)			✓	✓	✓	✓
Scope 2	Direct emissions from owned, leased or directly controlled mobile sources			✓	✓	✓	✓	✓			
	Emissions from the generation of purchased electricity, heat, steam or cooling			✓	✓	✓	✓	✓	✓		
Scope 3 upstream	1	Purchased goods and services	1a	Water supplied to subject	•	•	•	•	•	•	
		3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	3a	Upstream emissions of purchased electricity and fuels	•	•	•	•	•	•
				3b	Transmission and distribution (T&D) losses ¹	✓	✓	✓	✓	✓	✓
	3c			All other fuel- and energy-related activities							
	4	Upstream transportation and distribution	4a	Outbound courier deliveries of packages ²	•	✓	•	•	•	•	
			4b	Third-party transportation and storage of production-related goods ³	✓	✓	✓	✓			
			4c	Third-party transportation and storage of sold products ⁴	✓	✓	✓	✓			
			4d	All other upstream transportation and distribution							
	5	Waste generated in operations	5a	Wastewater	•	•	•	•	•	•	
			5b	Other waste	✓	✓	✓	✓	✓	✓	
	6	Business travel	6a	All transportation by air, public transport, rented/leased vehicle and taxi	✓	✓	✓	✓	•	•	
			6b	Emissions arising from hotel accommodation associated with business travel	•	•	•	•	•	•	
	7	Employee commuting			•	•	•	•	•		
As defined in the Value Chain Standard, Scope 3 upstream emission source categories 2 and 8 are not currently required or recommended under any of the CarbonNeutral® entity certifications, for further details see Appendix 1.1											
Scope 3 Downstream	As defined in the Value Chain Standard, Scope 3 downstream emission source categories 9 through 15 are not currently required or recommended under any of the CarbonNeutral® entity certifications, for further details see Appendix 1.1										
Certification specific requirements (See Annex A)						▲	▲				

Legend: ✓ Required ● Recommended ▲ Guidance



CarbonNeutral.com

Includes:
All Scope 1 & 2
Scope 3:

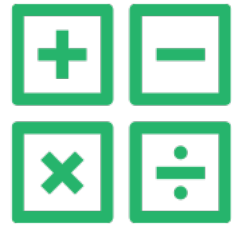
- Transport of company owned goods
- Business travel
- Waste

CarbonNeutral® certification is built on five steps to ensure your carbon neutrality action is clear and transparent



Step 1: Define

Understand exactly what should be covered in your footprint



Step 2: Measure

Calculate the footprint accurately and conservatively



Step 3: Target

Announcing the transformation to a low-carbon business



Step 4: Reduce

Finance projects today to deliver verified emissions reductions



Step 5: Communicate

Demonstrate your climate action and engage your teams, customers and stakeholders

carbonneutral.com



Step 4: Reduce

Internal reductions + external financing of emission reductions

Emissions reduction = activity which **avoids, reduces or removes** GHG emissions



Natural climate solutions reduce carbon emissions and store more carbon in the landscape.

- Forest protection
- Working forests
- New forests
- Grasslands
- Mangroves

Health & social impact projects boost livelihoods and create economic opportunity.

- Clean water & sanitation
- Cookstoves
- Household renewables

Sustainable infrastructure avoids greenhouse gas emissions and reduces the use of fossil fuels.

- Biomass conversion
- Refrigerants
- Solar energy
- Wind power

Many carbon projects have additional co-benefits, aligned with UN Sustainable Development Goals. Gold Standard climate protection projects deliver up to \$465 in additional value toward the SDGs for every tonne of CO2 mitigated.

Step 4: Reduce

Internal reductions + external financing of emission reductions

Carbon Standards:

- Ensure reductions are:
 - Real
 - Measurable
 - Permanent
 - Additional
 - Independently verified
 - Unique
- Define requirements for monitoring, reporting, independent 3rd party verification (MRV)
- Emission reductions have happened in the past – not future
- Credits are issued to registry
- Retirement – no double counting
- International Carbon Reduction & Offset Alliance defines Code of Best Practice for carbon credits, and annual audit of members



<https://www.icroa.org/>



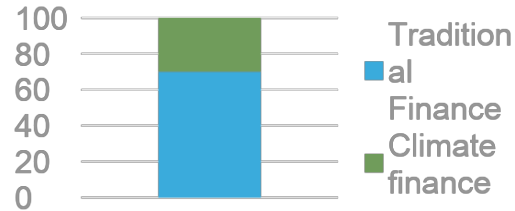
CLIMATE
ACTION
RESERVE



How carbon offsets work



A sustainable development project lacks sufficient funding to implement with traditional financing alone, e.g. forest conservation, clean cookstoves. **We work with our partners to overcome funding barriers through climate finance.**



Valuing and trading the environmental benefits from the project as carbon credits creates an added income stream to make the project viable. **We have procured 43+ million tonnes of carbon credits since 1997.**



Projects must meet criteria of carbon standards, e.g. real, measureable, permanent, additional, verified, unique.

Credible standards provide high quality, independently verified emission reductions.



Projects go through monitoring and verification as defined by the carbon standards to ensure they meet key outcomes, then issue credits on a registry. **We conduct additional levels of due diligence and quality assurance on our projects.**



Companies or individuals purchase carbon credits and apply them towards their emissions footprint. Retirement of credits is permanent and ensures no double counting. **We serve 300+ clients in 34 countries to meet their emission reduction goals and finance global transformation to a low carbon economy.**



Offsets provide lasting environmental benefits and often make a positive social impact. **Our projects contribute to every UN SDG and have benefitted thousands of people around the world**

Key Takeaways

- Carbon neutrality and climate finance funds low carbon sustainable development in areas where it's needed most, today:
 - building sustainable infrastructure,
 - conserving and creating natural climate solutions,
 - and improving health and livelihoods.
- Corporate action is increasing, shifting to low carbon economy
- Credible, responsible pathways demonstrates commitment and progress
 - 3rd party assurance and certifications add rigor
- Carbon neutrality enables action today





www.GreenMkting.com



Lisa Geason-Bauer
President

Carbon Storytelling 101

Carbon Storytelling 101

Unpack the story that you want to tell....Key questions to address

- Identify how you are going to use this disclosure ?
- What are you trying to accomplish?
- Why now?
- Who is your target audience(s)?
- Tips from Lisa

“More than three in four Americans (77 percent) agree that they would prefer to purchase from brands that prioritize efforts to fight global warming over brands that do not, according to a survey commissioned by [Sofidel](#).”



Identify, how your Business will use this disclosure...

What issues are important to your stakeholders?

- Unpack with your team - operations, marketing, legal, sustainability, sales, etc.

Internal Communications

- Employee engagement & outreach (i.e. to be shared with staff via HR)

External Communications

- Part of a disclosure program (compliance/legal)
- Within supply chain reporting (operations)
- To demonstrate you are taking action - pledge (marketing/sales)



<https://www.wearestillin.com/>



What are you trying to accomplish ?

What are the business goals / strategies behind this communications

- Demonstrate you are a good corporate citizen
 - We run on 100% renewable energy
- Debut a carbon neutral certified product?
- Recruitment Gen Z/ Millennials into the workforce
 - Employee engagement
- Looking for investors / capital raise
- Demonstrating market leadership in this space



Photo by [Mimi Thian](#) on [Unsplash](#)



Why now?

- **Transparency**
- **Reputation Management**
- **Brand Awareness & Market Differentiation**
- **Unpack the timing that makes the most sense for your organization based on the goals you have decided**

“While 7 in 10 say they wish there were more they could do to combat climate change, 51% of U.S. adults say they don't know where to start.”

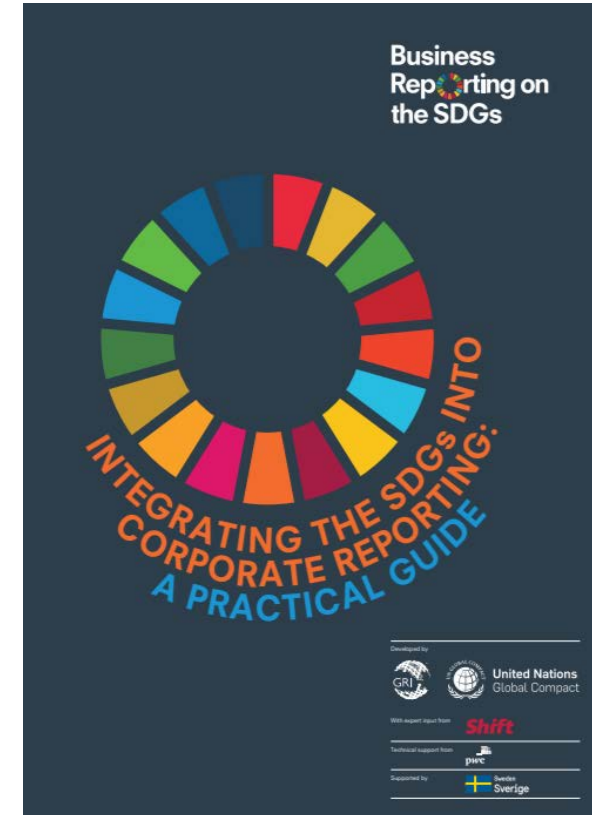
- [American Psychological Association](#)



Tips for sharing your carbon story from Lisa



- Be Honest & Transparent in your Language
- Use the GHG protocols as your standard for reporting
- Be consistent (when comparing year over year)
- Research how your competitors are telling their story
- Borrow language from the “tools” that are available (i.e. SDG Action Manager, Green Masters Program etc..)
- Review FREE tools from the UN Global Compact



[Click](#) for the “Practical Guide” for Integrating the SDG’s into Corporate Reporting

Questions?

