



Becoming Climate Neutral Certified

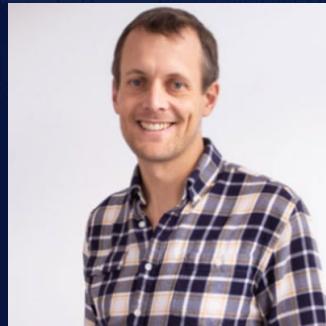
Sensiba's Journey and Benefits for Businesses



Today's Panelists



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Agenda For Today

- 1 Defining “Climate Neutrality”
- 2 Business Benefits of Climate Action
- 3 What is a Climate Neutral Certified Company?
- 4 How to Apply for Certification: Measure, Reduce, Compensate
- 5 The Open Certification Process
- 6 Sensiba’s Role as a Consulting Network Member
- 7 Sensiba’s Sustainability Journey
- 8 FAQs

A business’ sustainability efforts boosts their reputation, allows them to become an employer of choice in a tight talent market, and serves to foster employee engagement and satisfaction.

What is Climate Neutrality?

Climate Neutral: Measure and compensate for Scope 1, 2, and 3 emissions while actively working on reduction plans toward Net Zero.

Net Zero: Measure and reduce at least 90% before 2050.

Goal of Net Zero: Limit global warming to 1.5 degrees Celsius ([2.7 degrees Fahrenheit](#)).

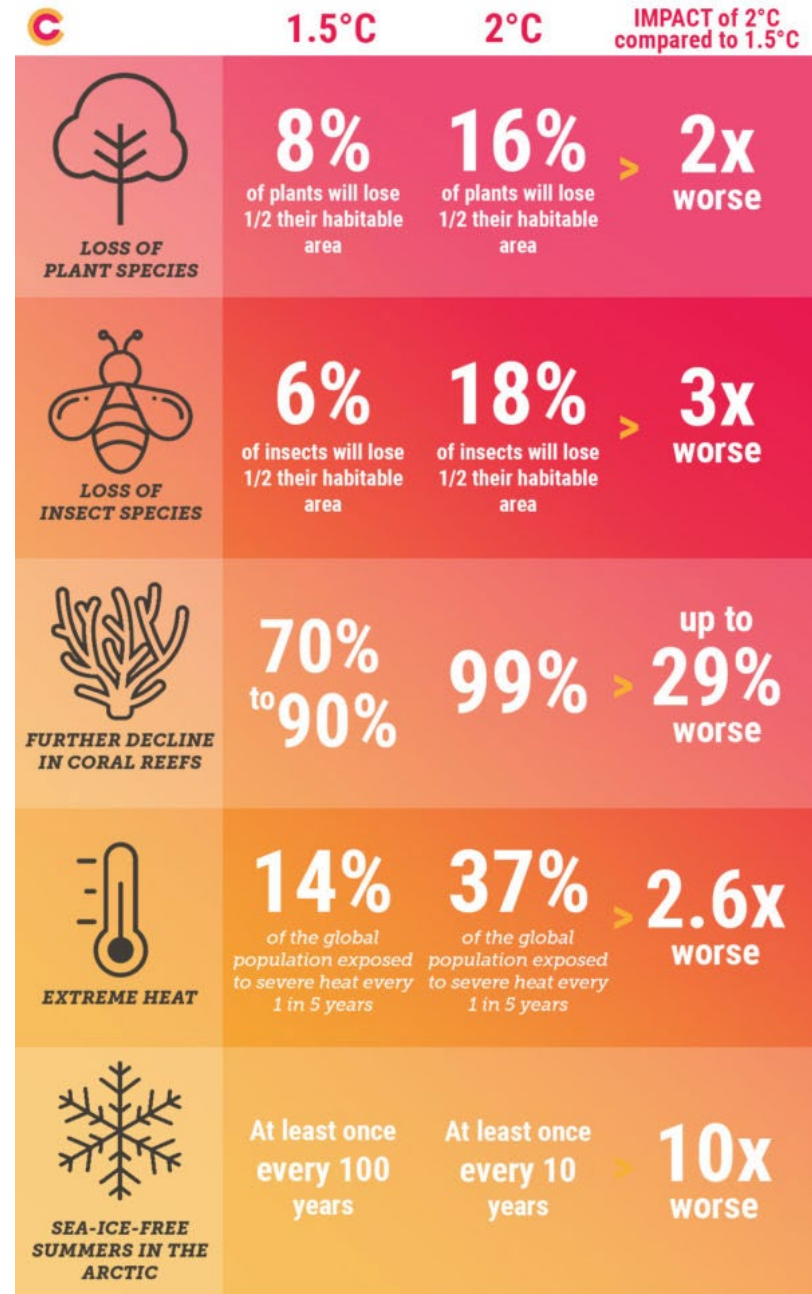
Reducing: Greenhouse gas (GHG) emissions from your company's operations to the extent possible.

Offsetting: Past emissions and those that can't be reduced.

Why 1.5 Degrees?

The difference between 1.5 and 2 degrees Celsius translates to **~2.7 degrees Fahrenheit**.

[Adapted from WRI \(07/10/18\)](#) based on data from IPCC (10/2018).



How Does This Affect My Business?

Businesses are already seeing the impact on operations:

Manufacturing: Supply chain stability is threatened, as is access to reliable energy and water sources

Food and Beverage: Agricultural inputs are negatively impacted by climate change. Increased consumer interest in, and demand for, organic and regenerative, sustainable brands

Real Estate/Construction: Enhanced expectations for resilient site location, water usage, and energy efficiency; materials sourcing concerns

Business Case for Sustainability

- ◆ Drives internal innovation
- ◆ Improves environmental and supply chain risk management
- ◆ Attracts and retains employees
- ◆ Expands audience reach and builds brand loyalty
- ◆ Reduces production costs
- ◆ Garners positive publicity
- ◆ Helps you stand out in a competitive market
- ◆ Sets the industry trend
- ◆ [HBS Online Business Insights](#)



Business Benefits of Climate Action

CDP 2022 Supply Chain Report: Only 41% of disclosing companies reported emissions for one or more Scope 3 categories in 2022, despite those emissions being an average of 11.4 times higher than operational emissions.

Supplier Engagement Facilitates:

- ◆ Supply chain sustainability strategy development
- ◆ Emissions reductions
- ◆ Cost reduction and money-saving opportunities



Voluntary Disclosure Ecosystem

Frameworks



ISSB



Consumer-Facing



Certified

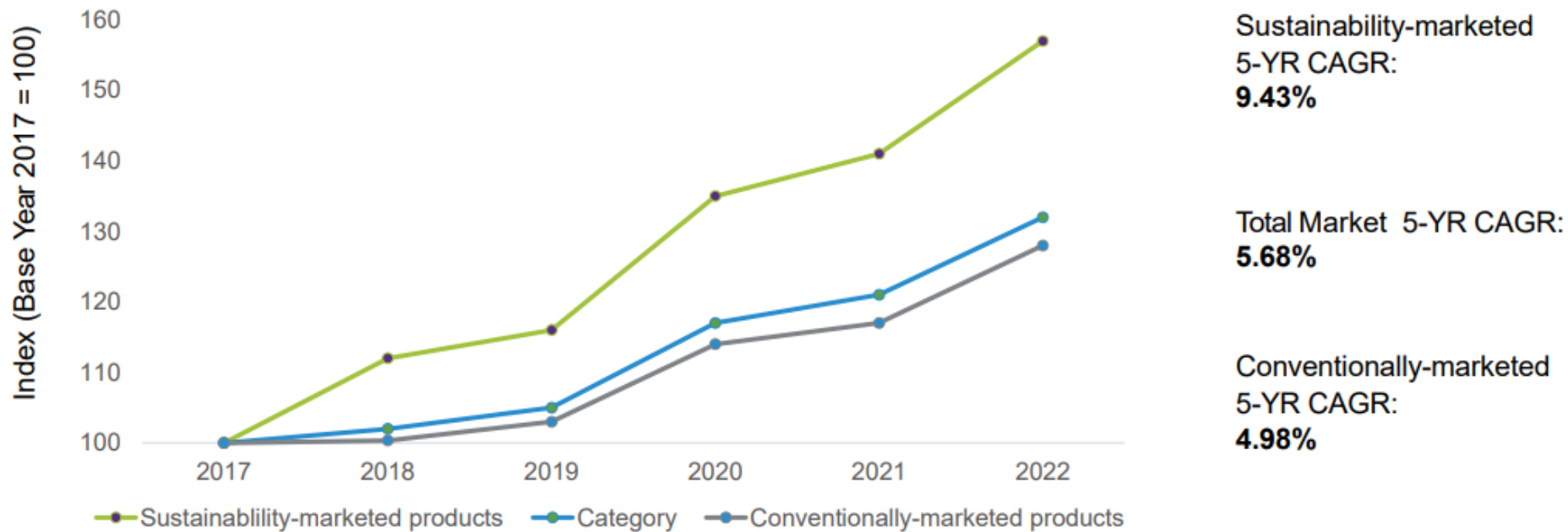


Corporation



Sustainable Market Share

Sustainability-marketed products grew approximately twice as fast as conventionally-marketed products and the CPG market.



Source: [NYU Stern Center for Sustainable Business](#)





Climate Neutral
Certified

About Climate Neutral

- ◆ A mission-driven nonprofit that administers Climate Neutral Certified, the trusted consumer climate label
- ◆ Working to eliminate carbon emissions by setting the standard for companies to act credibly on climate
- ◆ Certified over 330 brands in the past year across dozens of industries
- ◆ Certified businesses have invested \$10M+ in carbon avoidance and removal projects in 2022



Climate Neutrality

The First Step Toward Net Zero

Measure

- Scope 1, 2, and 3 (cradle-to-customer) emissions
- Data and verification requirements

Reduce

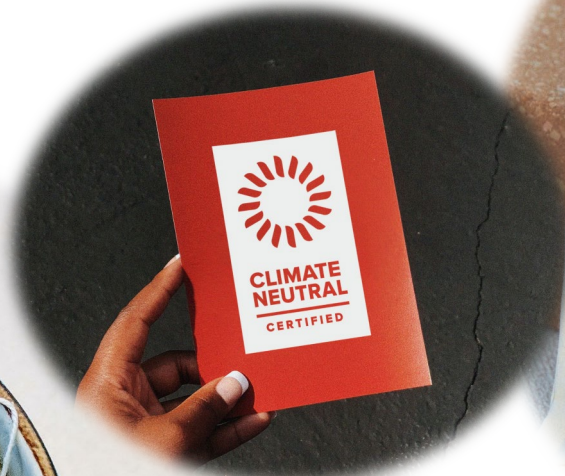
- Two or more short-term reduction actions
- Science-aligned targets for 2030
- Report annually on progress, and progress evaluated at checkpoint years

Compensate

- Guidelines for eligible carbon credits based on verification, vintage year, project type, and location



Climate Neutral Label Examples



Open Certification Program

- Any company may apply for certification once they've met the requirements in the Climate Neutral Standard.
- Climate Neutral certification consultants and service providers offer services to assist companies with meeting the requirements in the Climate Neutral Standard and applying for certification.
- Climate Neutral administers the certification.



A dense forest of evergreen trees, likely spruce or fir, is shrouded in a thick, white mist or fog. The trees are dark green and silhouetted against the lighter, hazy background. The overall atmosphere is serene and somewhat mysterious.

Climate Neutral's Consulting Partnership Network

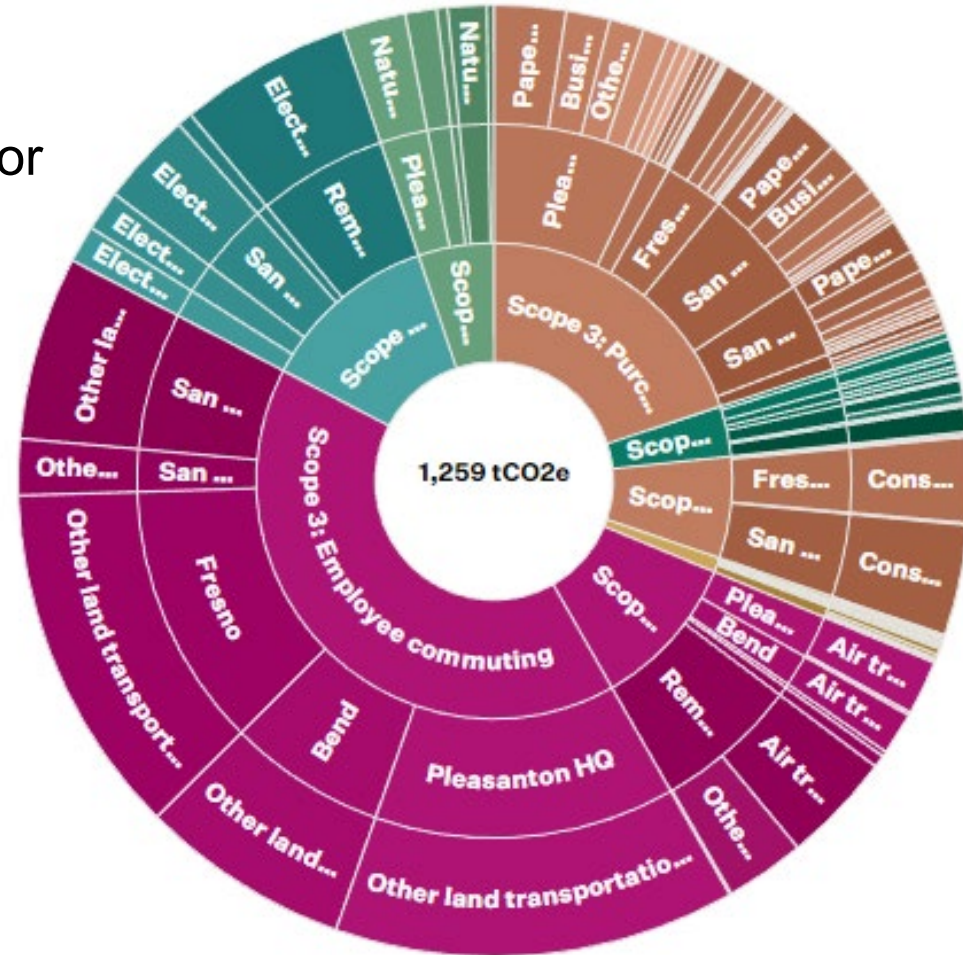
Our Sustainability Journey

- ◆ B Corp Certification: Environment
- ◆ 2019-2021 GHG Inventory
- ◆ Relationship with Bonneville Environmental Foundation
- ◆ Why becoming Climate Neutral certified was the right choice
- ◆ Benefits of certification
- ◆ The Business Emissions Evaluator (BEE)



Our Results

- ◆ Climate Neutral Business Emissions Evaluator
- ◆ 1,259 t CO₂e



Source: Chart generated as a result of using the Climate Neutral Business Emissions Evaluator



Our Results

Emission boundaries

Here's how your emissions are categorized in some charts on this page. You can find more information on how these measurement boundaries work in our [Standard](#).



64.81

tCO₂e

SCOPE 1

Direct emissions under your company's control, such as natural gas used to heat your office or diesel burnt in fleet vehicles.



153.22

tCO₂e

SCOPE 2

Indirect emissions from energy (such as electricity) that occur elsewhere but you consume at your company facilities.



1,040.56

tCO₂e

SCOPE 3

All other indirect emissions. Likely the greatest share of your emissions, covering different sources within your supply chain.

Source: Chart generated as a result of using the Climate Neutral Business Emissions Evaluator



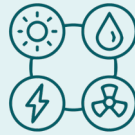
2023 Reduction Action Plans

Science-aligned target: 50% reduction from 1,259 tCO₂e by 2030



Office Electricity

- ◆ 2.5% of annual 7.15% reduction target
- ◆ “Transition 50% of current average grid mix to renewable energy through our electric utility in three of our office locations by Q1 2024.”



WFH Electricity

- ◆ 2% of annual target
- ◆ “We will transition 35% of remote worker electricity consumption to renewable energy sources by offering subsidies for switching to 100% renewables in communities where this is an option.”



Employee Commuting

- ◆ 40% of overall footprint
- ◆ 3% of annual target
- ◆ “Reduce employee commuting emissions by 15% by incentivizing public transit/bike/rideshare usage.”

Offset Strategy

- ◆ Bonneville Environmental Foundation
- ◆ (549) Agro cortex Forestry Carbon Offsets
- ◆ (160) Doyon Forestry Project
- ◆ (550) Uitor REDD+ Carbon Offsets





FAQs

Examples Include:

- ◆ How much does it cost?
- ◆ Why carbon credits vs. just reductions?
- ◆ What are the data requirements?
- ◆ How long does it take?

Thank you!