

# Positive Scenarios Consulting

WMAWMA Spring 2023:  
**Getting Started on Climate Action  
& Key Trends for Business**

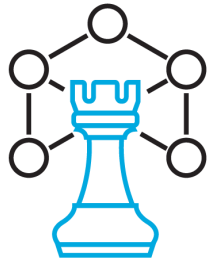
May 2023



# About Us

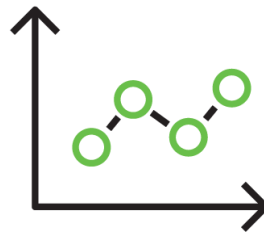
We are a sustainability consulting firm **driven by a mission to mitigate climate change.** Our team of climate experts and engineers serve as a **guide** and **partner** to our clients, who range across industries, sizes and complexities – from start-ups to Fortune 100 companies.

We operate as an extension of your sustainability team, or as outsourced technical support.



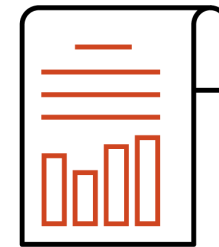
## IMPACT ACCOUNTING

Assess climate impacts and find meaningful opportunities



## CLIMATE STRATEGY

Identify strategic focus areas to develop forward-looking goals

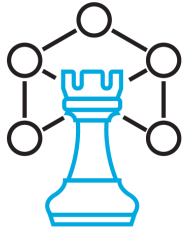


## REPORTING

Communicate climate progress to stakeholders

Our aim is to help you **drive meaningful climate progress**, one step at a time.

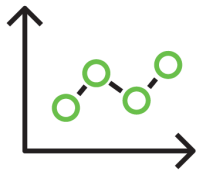
# What we're hearing....



**IMPACT  
ACCOUNTING**



[Stakeholder X] is asking about my **GHG inventory / carbon footprint**. How do I measure this?



**CLIMATE  
STRATEGY**



I've been hearing about more and more **climate commitments/targets**. How do I set one and what does it mean for my company?



**REPORTING**



I've been requested to **report** to [CDP / Ecovadis / my customer's sustainability platform]. How do I get started?

# Getting started: GHG Accounting

## Own Operations

### Scope 1

Direct emissions including combustion of fuels; direct release of greenhouse gases such as HFC refrigerants

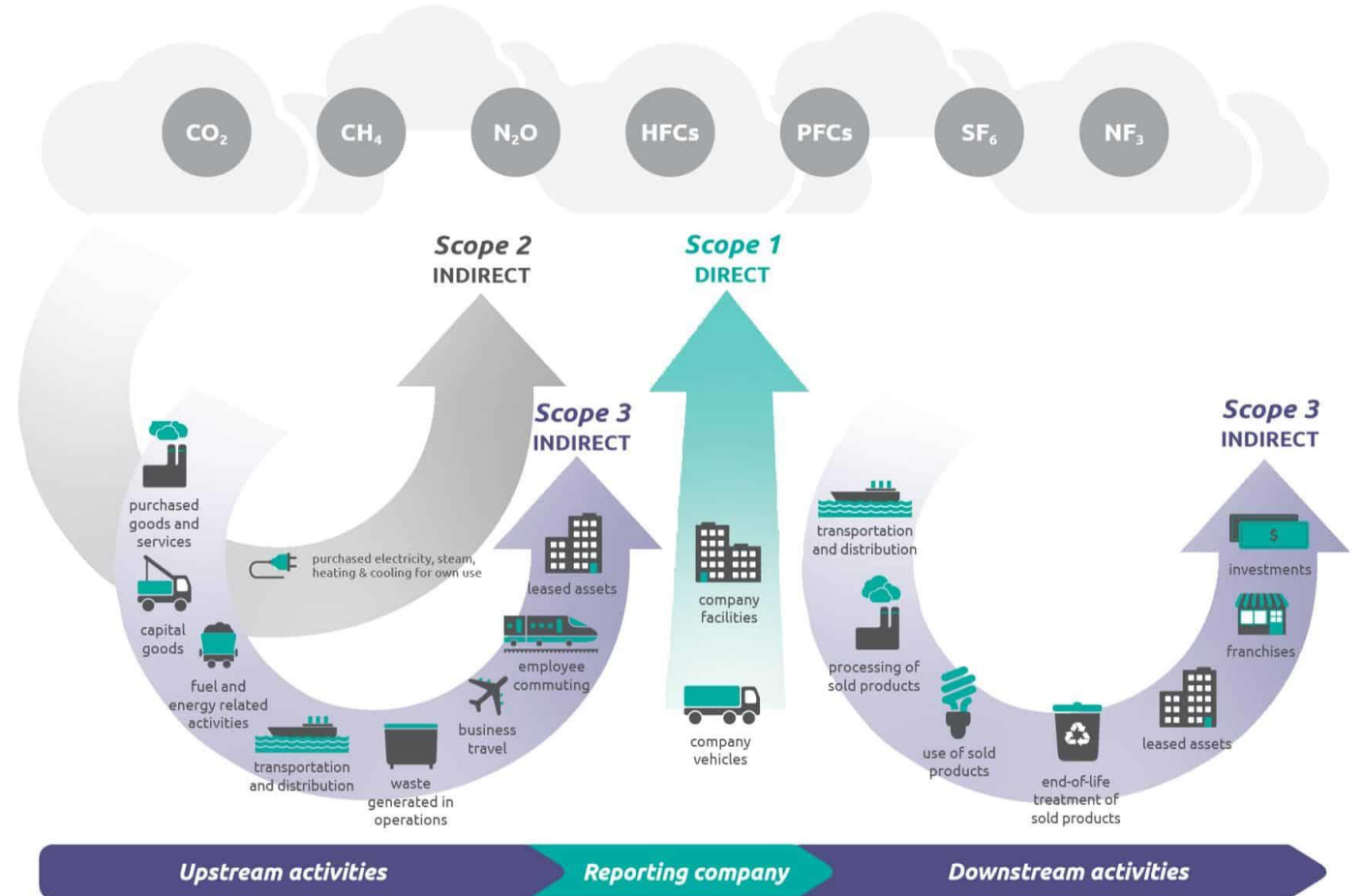
### Scope 2

Indirect emissions for purchased electricity, heat, steam or cooling

## Value Chain

### Scope 3

Indirect emissions from the value chain, categorized into 15 upstream and downstream activities.



Greenhouse Gas Protocol Scope 3 Standard, <https://ghgprotocol.org>

# Getting started: GHG Accounting

## 1) Start with your own operations (Scope 1 & 2 emissions)

- Data is more easily accessible (energy bills, vehicle miles)

## 2) Use existing resources

- **Greenhouse Gas Protocol** – Standards & tools
- **EPA** – Emission factor hub, calculators/ tools)
- External consultants
- Software (sometimes)

## 3) Start small but think big for Scope 3

- Don't try to do everything; use high-level estimates to figure out the biggest impact categories – and where you have data & influence



## EPA Center for Corporate Climate Leadership



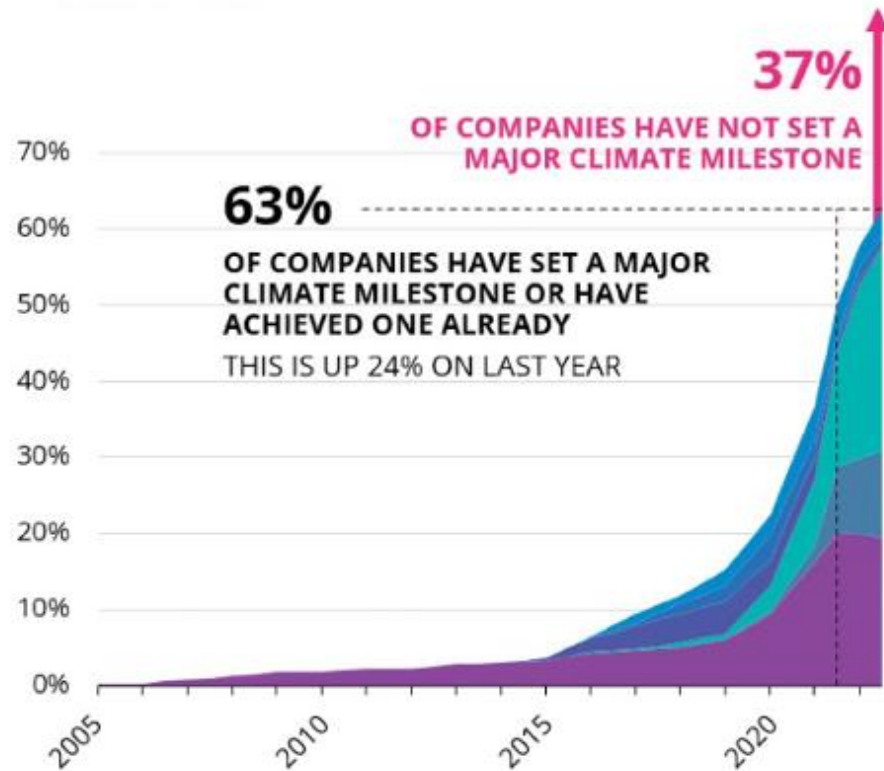
EPA's Center for Corporate Climate Leadership serves as a resource center for all organizations looking to expand their work in the area of greenhouse gas (GHG) measurement and management.

GHG Inventory Guidance	GHG Measurement Resources	Supply Chain
<ul style="list-style-type: none"><li>• <a href="#">GHG Inventory Development Process</a></li><li>• <a href="#">Determine Organizational</a></li></ul>	<ul style="list-style-type: none"><li>• <a href="#">GHG Emission Factors Hub</a></li><li>• <a href="#">Simplified GHG Emissions Calculator</a></li></ul>	<ul style="list-style-type: none"><li>• <a href="#">Supply Chain Guidance</a></li><li>• <a href="#">Why Engage Suppliers?</a></li><li>• <a href="#">Building Internal Support</a></li><li>• <a href="#">How to Engage Suppliers</a></li></ul>

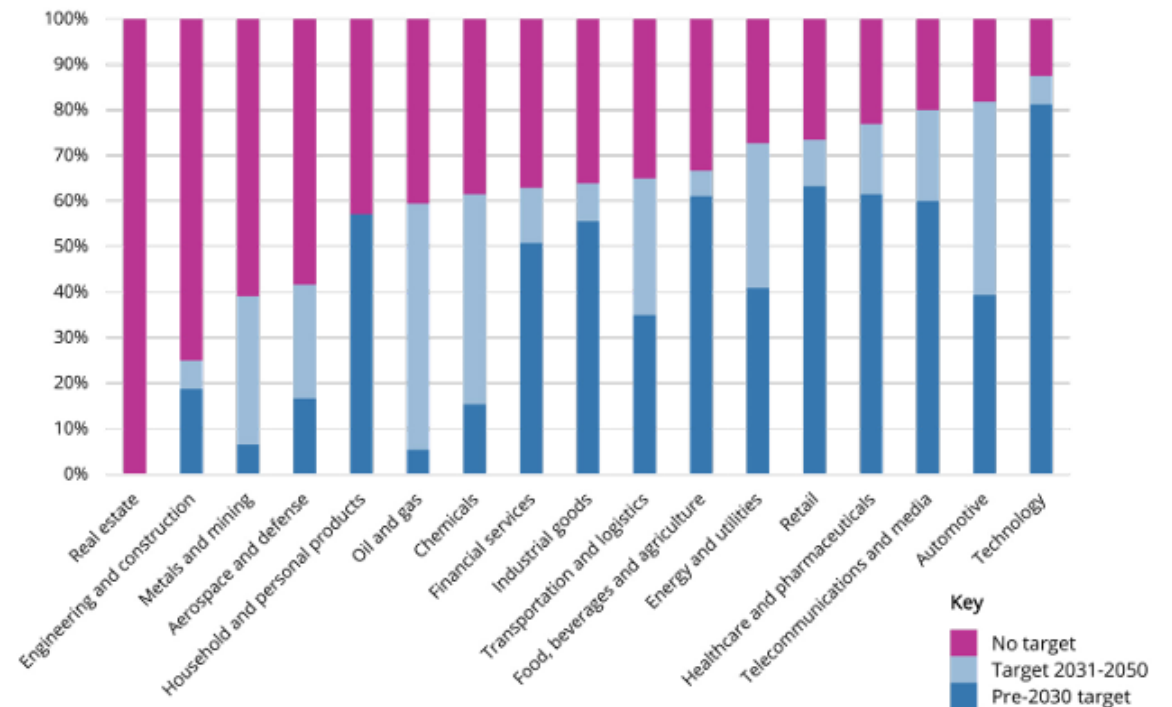
<https://www.epa.gov/climateleadership>

# Climate goals: from 'Extra' to Expectation

**Science-based targets, net zero, carbon neutral** – climate commitments aren't a passing fad.



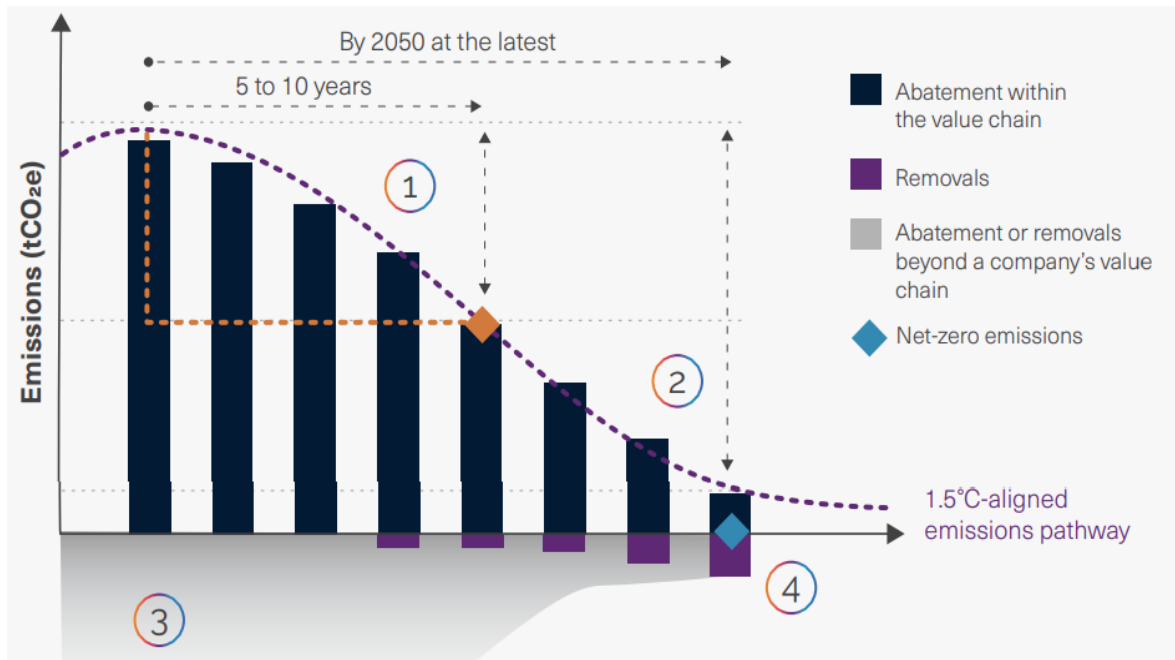
**Fortune Global 500 companies with 'major milestone' climate goals**



- Majority (70%) of net-zero goals include value chain emissions
- Large organizations are increasingly looking to their partners and suppliers to work together towards goals

# Science-based targets: 1.5°C Alignment

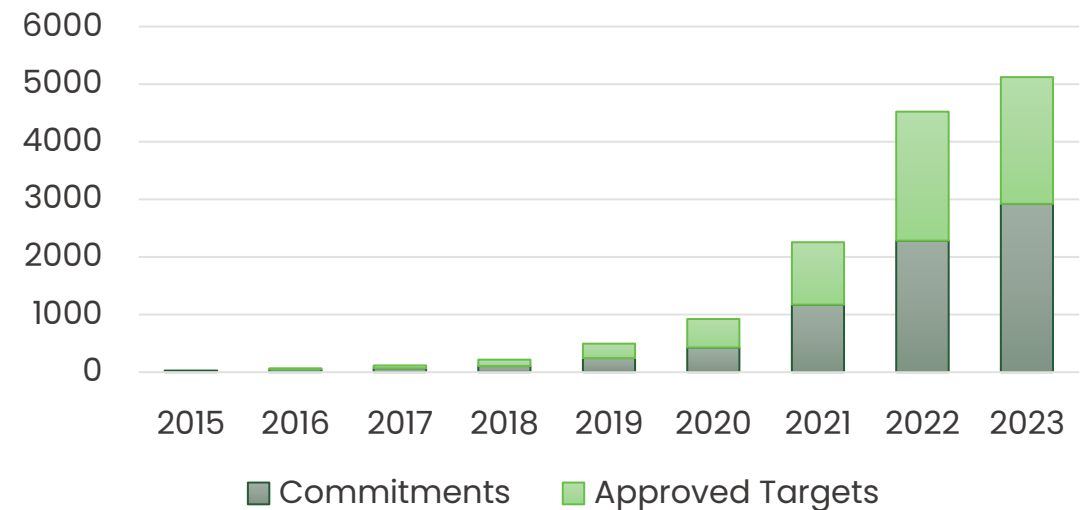
Science-based targets follow the GHG reduction pathway needed to avoid warming beyond 1.5°C. The Science Based Targets Initiative (SBTi) framework has become the go-to program for most companies looking to set robust goals.



Science Based Targets Initiative, <https://sciencebasedtargets.org>

↑ >400%

Increase in companies participating in SBTi since 2020



Achieving Impact

From 2015–2020, companies with science-based targets **reduced Scope 1 and 2 emissions by 29%** compared to a total increase of 3.4% in global emissions.

# Michigan companies & SBTs

Committed to setting SBTs

**Steelcase**



**HAWORTH**



**BorgWarner**



Companies with Approved Targets

**Whirlpool**  
CORPORATION

- Reduce scope 1&2 emissions **50% by 2030** from a 2016 base year
- Reduce scope 3 emissions from **use of sold products by 20%**

**REPUBLIC**  
SERVICES

- Reduce scope 1&2 emissions **35% by 2030** from a 2017 base year

**Kellogg's**

- Reduce scope 1&2 emissions **47% by 2030** from a 2015 base year
- Reduce **scope 3 emissions 20%**



**American Axle & Manufacturing**

- **Net zero** across the value chain by 2040
- Reduce **scope 1 & 2 45%** by 2030 from a 2020 base year; reduce scope 3 by 25%
- **2/3rds of suppliers will have SBTs by 2027**



# Reporting out progress

*Pressure to share more information on sustainability & climate efforts is increasing, particularly from:*

## Investors

- Want to understand financial risks and environmental impacts
- Requesting climate-related data through platforms like CDP

## Customers

- Tracking supplier data to make progress towards own goals
- Requesting data through existing platforms (CDP, Ecovadis) or directly

## Government

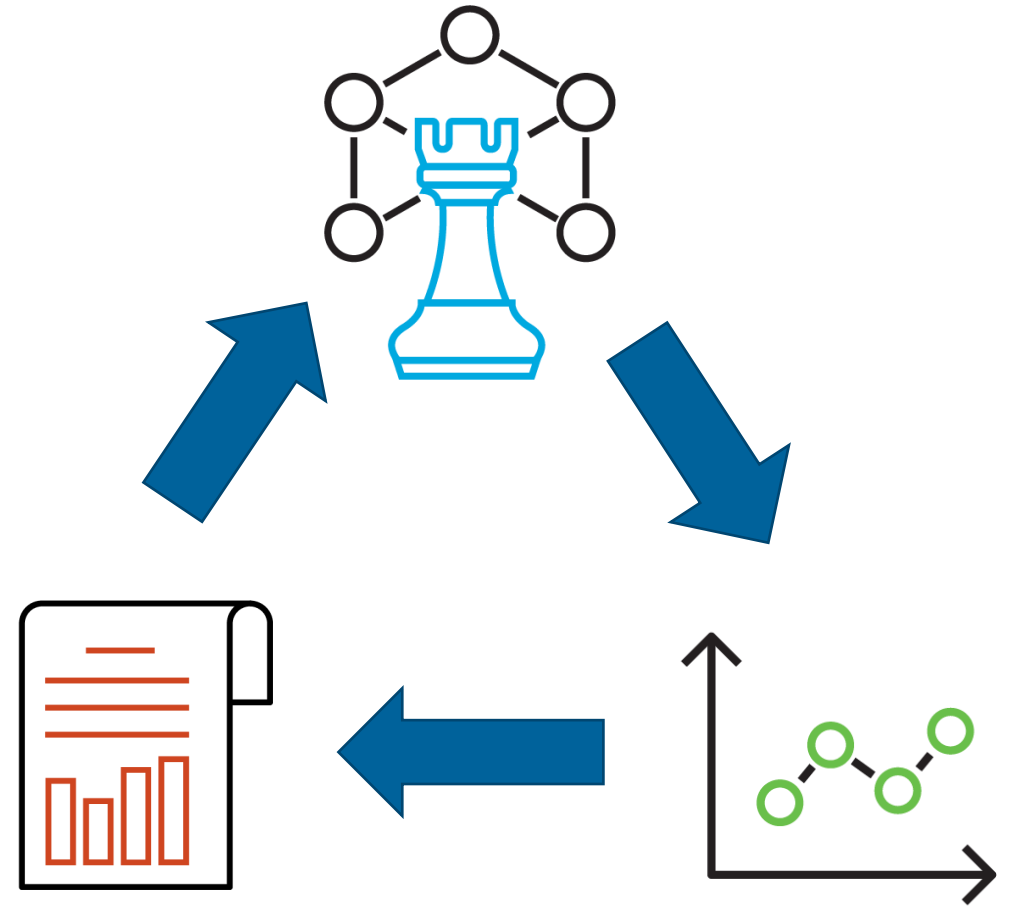
- Emerging and pending regulation – SEC, CA SB 253
- Sustainability disclosure regulations in Europe are already more advanced



- More than **18,500 companies** disclosed to CDP Climate Change in 2022
- Over **47,000 suppliers were engaged** / requested to submit data

# Takeaways

- > **Every company can act** on climate change (and will be increasingly expected to)
- > It can be daunting to get started, but there are resources to help, and more and more collaboration happening
- > Start **one step at a time** – it's an iterative process



# For more information, contact:

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