

CLIMATE LEADERSHIP awards

Informational Webinar: 2016 Climate Leadership Awards

Tuesday, June 23, 2015 11am PT / 2pm ET









Agenda

- Introduction and Overview
- Recognition Categories
- Eligibility Requirements & Application Evaluation
- Application Period Important Dates
- Application and Submission Instructions
- Awards Dinner and Climate Leadership Conference
- Award Categories Detailed Discussion
 - Overview
 - Evaluation Criteria
 - Review Process
- Q&A











- Melissa Klein Communications Lead, Center for Corporate Climate Leadership, U.S. Environmental Protection Agency
- Roger Fernandez Manager of Corporate and Institutional Engagement, Center for Corporate Climate Leadership, U.S. Environmental Protection Agency
- Tim Juliani Senior Director, Business Strategy & Partnerships, Center for Climate and Energy Solutions (C2ES)
- Jennifer Kaminski Director of Outreach and Communications, The Climate Registry









- Attendees are muted to reduce background noise
- Submit questions and comments in writing via the online control panel $\rightarrow \rightarrow \rightarrow$
- To minimize or maximize the control panel, click on the button at the top left of the tool bar
- Today's presentation is available at: <u>http://www.epa.gov/climateleadership/events</u>

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Introduction and Overview

Melissa Klein

Communications Lead, Center for Corporate Climate Leadership U.S. Environmental Protection Agency



"The co-sponsorship of this recognition opportunity reflects EPA's commitment to reducing greenhouse gas emissions and recognizing leadership on climate change. We are pleased to be partnering with non-profit organizations that have demonstrated expertise in GHG emissions management."

– Gina McCarthy, EPA Administrator

The U.S. EPA co-sponsors the Climate Leadership Awards (CLA) with the Center for Climate and Energy Solutions (C2ES) and The Climate Registry, calling national attention to exemplary leadership in response to climate change. The CLAs recognize the outstanding voluntary work that organizations and individuals pursue in reducing greenhouse gas emissions and building resilience to climate change.









"For The Hartford, commitment to environmental stewardship has become embedded into our company's character. We believe that the external recognitions that we have received, including the EPA Climate Leadership Awards, help us attract, retain and engage our employees, customers and partners, and are validation that we are doing the right thing."

- David C. Robinson, General Counsel and Chair of The Hartford's Environment Committee

"It's been quite an honor for IBM to have earned three consecutive Climate Leadership Awards for Organizational Leadership, Supply Chain Leadership, and Greenhouse Gas Reduction Goal Achievement. In addition to serving as proof points of IBM's commitment and results, this recognition has also helped emphasize to our employees, clients, shareholders, and others how much corporate environmental leadership matters."

- Wayne Balta, Vice President of Corporate Environmental Affairs and Product Safety, IBM









What CLA Winners Are Saying...

"The Climate Leadership Awards send a strong message that sustainability and financial prudence aren't mutually exclusive. Climate-related performance is obviously critical — but it's also clear that my award was about cutting costs and risks."

- Sam Brooks, Founder and Managing Director, ClearRock (formerly Director of the Energy Division, DC's Department of General Services)

"The CLA Innovative Partnership Award has provided the Climate Collaborative and the broader San Diego region with another validation that ongoing, close partnerships across sectors is fundamental in tackling a complex issue like climate change and protecting San Diego's amazing quality of life."

- Brendan J. Reed, Environmental Sustainability Manager, San Diego Airport Authority

"We work with thousands of suppliers and we're proud to receive recognition for our work across our supply chain to build a mutual commitment around sustainable business practices. To be honored by the EPA for our efforts is a wonderful testament to our increased focus to help influence others." - Amy Hargroves, Director of Corporate Responsibility and Sustainability, Sprint









Recognition Categories

- Excellence in Greenhouse Gas Management (Goal Setting Certificate)
- Excellence in Greenhouse Gas Management (Goal Achievement Award)
- Innovative Partnerships Certificate
- Supply Chain Leadership Award
- Individual Leadership Award
- Organizational Leadership Award









What's New?

We've made some changes this year!

- Application period extended: June 24 September 25.
- The goal setting requirement for 4 out of 6 categories has been revised, offering a more straightforward formula for demonstrating aggressiveness.
- Organizational & Individual Leadership applications have been streamlined.
- All applications include an eligibility appendix to provide further transparency and assistance in the application process.
- 2016 Award recipients will be honored at the Climate Leadership Awards Dinner on Wednesday, March 9, 2016, during the Climate Leadership Conference in Seattle, WA.









The following criteria apply to ALL applicants:

- Applicants must have significant operations in the United States. Given the global nature of climate change, the majority of greenhouse gas (GHG) emissions reductions do not have to occur in the U.S.
- Corporate/Organizational budget must be at least \$100 million (except in the Innovative Partnerships category).
- Organizations must have absolute GHG goals (except in the Innovative Partnerships and Individual categories) that fulfill the minimum criteria.
 - Goals must achieve (or commit to, in the case of Goal Setting) at least a 1.8% reduction per year over the life of the goal. For example, a 5-year goal must commit to at least 9% total reduction.
- Leadership activities must have taken place between January 1, 2013 and September 25, 2015 and must be currently active.
 - Goal Achievers, however, have one additional year to demonstrate an achieved GHG reduction goal. For Goal Achievement category, leadership activities must have taken place between January 1, 2012 and September 25, 2015.
- Finalists must pass an EPA compliance screen in order to be selected.
- Note: Organizations may not reapply for the same award category for two award cycles. (Ex: If company A receives an Organizational Award in 2014, the company would not be able to apply for the Organizational Award again until the 2017 awards).









Eligibility Requirements

- Applicants for all categories (except Individual Leadership & Innovative Partnerships Categories) must publicly report their corporate GHG inventory (to include all GHG emissions from scope 1 and 2 sources at minimum) and conduct third-party verification to at least a "limited" or "reasonable" level of assurance, or through independent critical review.
- Applicants with inventories previously reviewed and approved under EPA's former Climate Leaders program may submit those for the relevant years referenced in the application (considered critical review); however, if the applicant's inventories have undergone significant adjustments since their participation in the Climate Leaders program, then the applicant's inventories may need to be re-verified to meet the aforementioned data quality requirements.
- More detailed criteria can be found online and as an appendix in each application.









Important Dates

<u>2015</u>

- June 24 Award application period opens
- September 25 Award application period closes
- Late Dec./Jan. Winner and non-winner notifications

<u>2016</u>

- 16March 8-10Climate Leadership Conference, Seattle,
 - Washington
- March 9 Climate Leadership Awards Dinner, Seattle, Washington









- Review the general eligibility requirements and the specific evaluation criteria for the category to which you are applying - see the EPA's Climate Leadership Awards webpage at epa.gov/climateleadership/awards.
- Download and save to your own computer: application form(s) and, if applicable, the third-party reference form (for Organizational and Individual Leadership) from EPA's site.
- Complete the application package, save it to your computer, and submit a copy by e-mail to **applications@ClimateLeadershipAwards.org** with the following subject line: *Application for [Insert Award Category Name]*.









Next Steps

- Submit any questions regarding the application process and various awards categories by email to U.S. EPA and its partners at **questions@ClimateLeadershipAwards.org.**
- Application forms will be evaluated by EPA, C2ES, and The Registry in collaboration with independent committees of recognized experts.
- All applicants will be reviewed to ensure that they are in good standing with EPA.
- Award winners will be notified in late December 2015 or early January 2016.











AWARDS DINNER AND CLIMATE LEADERSHIP CONFERENCE



- An Awards Dinner to honor award recipients will be held during the fifth annual Climate Leadership Conference:
 - Wednesday, March 9, 2016 in Seattle, WA
- Conference information will be regularly updated at www.ClimateLeadershipConference.org









- Conference participants will offer and hear climate-related solutions on topics including:
 - Leveraging Clean Energy Opportunities
 - Managing Climate Risks and Building Resilience
 - Supply Chain Strategies
 - Disclosures and Questionnaires
 - Setting and Achieving GHG Reduction Goals
 - Education & Engagement Strategies
 - Making the Business Case for Climate Response









Climate Leadership Conference Highlights:

- More than 1,500 participants over the last four years.
- Networking opportunities and events with sustainability professionals from the public and private sectors, including federal and state government officials, industry leaders, and non-profit experts.
- Innovative ideas and best practices on topics such as energy efficiency, clean energy opportunities, setting and achieving GHG reduction goals, engaging supply chains, and other practical applications for measuring, managing, and reducing emissions.
- Emerging best practices on climate resilience/adaptation planning and implementation.
- Peer exchange on managing carbon footprints both internally and throughout the supply chain, while maintaining focus on the top and bottom lines.
- Climate Leadership Awards Dinner, held in conjunction with the conference.









CLIMATE LEADERSHIP awards

EXCELLENCE IN GHG MANAGEMENT: GOAL SETTING CERTIFICATE & GOAL ACHIEVEMENT AWARD

Jennifer Kaminski Director of Outreach & Communications The Climate Registry



What does leadership in GHG management look like?

- Public disclosure of entity-wide GHG emissions.
- Third-Party Verification of GHG inventory.
- Establishment of an aggressive entity-wide GHG reduction goal that exceeds business-as-usual performance forecast.
- Transparent implementation of GHG mitigation activities that demonstrate GHG emission reductions are not largely the result of organic growth or decline.
- Achievement of aggressive entity-wide GHG reduction goals.









The **Goal Setting Certificate** recognizes organizations that publicly report and verify entity-wide GHG inventories and publicly set aggressive GHG emissions reduction goals.

Applicants will be evaluated on the following:

- Inclusion of base year inventory report, broken out by scope 1 & 2 emissions (and any scope 3 emissions included in the goal), across all GHGs;
- Inclusion of third-party verification statement;
- Demonstration of aggressive GHG reduction goal, which is current, and publicly communicated;
- Thorough description of planned GHG mitigation activities aimed at meeting reduction goal;
- Completed applications adhering to eligibility requirements.









Specific Requirements for Goal Setting Applicants

GHG Inventory & Verification

- Link to current, publicly disclosed entity-wide GHG inventory.
- Base year inventory report of scope 1 and 2 emissions (includes CO₂, CH₄, N₂O, SF₆, PFCs, HFCs, and CO₂ from biomass) within an entity's corporate boundary (U.S., North American, or global operations).
 Relevant scope 3 emissions must also be reported if they are incorporated in the reduction goal.
- The base year inventory boundary should match the boundary of the reduction goal. Up to 5% of the base year GHG inventory could be accounted for using simplified estimation methods OR could be excluded as immaterial.
- Verification statement for base year inventory. Must meet one of the following levels of assurance:
 - **Reasonable** considered highest level of confidence in the GHG data accounted for; comprehensive review and site visits allow the verifier to report in a positive statement that 'reasonable assurance that an emissions report is materially correct'
 - **Limited** still comprehensively reviewed, but to a lesser degree; allows the verifier to report in a negative assertion that 'there is no evidence that an emission report is not materially correct'
 - **Critical Review** conducted by an independent third party who, at a minimum, ensures that the measurement methodologies and data collection processes are consistent with international best practice and are scientifically and technically valid









Specific Requirements for Goal Setting Applicants

Goal criteria:

- Goal must be set and publicly announced between January 1, 2013 and September 25, 2015;
- Goal must cover 100% of the corporate footprint (corresponding to base year boundary) and remain consistent throughout goal period;
- The base year for a first generation goal should be no more than 4 years prior to the year the goal is announced;
- Goal period should be between 3 and 12 years;
- Goal must commit to at least an average 1.8% absolute reduction per year over the life of the goal (e.g. a five-year goal must reduce emissions by at least 9%).
 - In rare circumstances, an organization may substantiate their case for a goal that is below the required 1.8% threshold but that has ≥1% reduction per year, such as a goal considered aggressive in a specific sector.









Specific Requirements for Goal Setting Applicants

Disclosure of GHG Mitigation Activities

Applicants must identify at least three GHG mitigation activities that are planned or underway in
order to demonstrate that reductions will not largely be the result of organic growth or decline.
These activities should reflect applicant's most impactful strategies, and ideally be in addition to
renewable energy or offset purchases (as applicable). Activities relating to supply chain
management may be included if the goal incorporates scope 3 reductions.

RECs

• Renewable energy certificates (RECs) can be applied to scope 2 emissions associated with the consumption of purchased electricity as part of a comprehensive GHG management strategy.

Offsets

• High-quality offsets can be used to reduce scope 1, 2 and 3 emissions as part of a comprehensive GHG management strategy. Offset projects must demonstrate that they are real, additional, permanent, and verifiable.









The **Goal Achievement Award** recognizes organizations that publicly report and verify entity-wide GHG inventories and achieve aggressive GHG emissions reduction goals.

Applicants will be evaluated on the following:

- Inclusion of base year and achievement year inventory reports, broken out by scope 1 & 2 emissions (and any scope 3 emissions included in goal), across all GHGs;
- Inclusion of third-party verification statement for both base year & achievement year inventories;
- Demonstration of aggressive GHG reduction goal that was publicly communicated and set at least three years prior to achieving it;
- Thorough description of at least three GHG mitigation activities implemented during goal period;
- Completed applications adhering to eligibility requirements.









Specific Requirements for Goal Achievement Applicants

All of the criteria for the Goal Setting category apply to Goal Achievement, with additional attention to:

- In addition to providing the base year inventory report, the achievement year inventory report (in accordance with previously stated GHG inventory & verification requirements) must also be included;
- If base year emissions changed during the goal period by more than 5% as a result of structural change, a change in calculation methodologies, or because an error has been discovered, the base year inventory must be adjusted to reflect this, clear documentation and verification of the adjustments are needed;
- Applicant will be asked to quantify any RECs or offsets used to achieve GHG reduction goal. For RECs, this will include GHG and energy information;
- If scope 3 reductions are included in goal achievement, the relevant scope 3 sources must be reported and verified in both the base year and achievement year inventories;
- At least three GHG mitigation activities that were *implemented* and contributed to the reductions during the goal period must be described.











INNOVATIVE PARTNERSHIPS CERTIFICATE

Tim Juliani

Senior Director, Business Strategy & Partnerships Center for Climate and Energy Solutions (C2ES)



Overview

- A category established last year to recognize organizations working collaboratively on leading edge climate initiatives that are above and beyond business as usual, and through which extraordinary outcomes are achieved.
- Candidates for recognition should be comprised primarily of stakeholder institutions from government, academia and/or the private sector that have collectively established objectives to measurably address greenhouse gas reduction goals and/or resilience activities.









Eligibility Requirements

- Open to partnerships comprised of two or more primary stakeholders from government entities, academic institutions, and/or the private sector.
- Partnerships exclusively comprised of private sector stakeholders may be considered if the nature of the activity is sufficient in magnitude of GHG emissions reduction and/or adaptation implementation to merit recognition.
- Reviewed by an independent panel of reviewers and considered on a competitive basis in comparison to other applicants.
- Partnerships must be:
 - Currently active;
 - Based upon or supported by a legal agreement/arrangement that addresses governance, roles, funding, etc.;
 - Publicly described as being driven and/or motivated by an imperative to take climate action.









Eligibility Requirements (cont'd)

- Activities must be located in the United States (though the primary stakeholders are not necessarily required to be headquartered in the United States).
- Partnerships must have:
 - Conducted an assessment of all attributes related to the primary objectives of the partnership (e.g., vulnerability assessment, GHG inventory, energy consumption) in order to establish a baseline;
 - Achieved significant, verifiable results in reducing emissions and/or implementing adaptation and resilience to protect a specific population;
 - Significant leadership activities and partnership accomplishments between January 1, 2013 and September 25, 2015.
- Primary stakeholders to the partnership will need to pass an EPA compliance screen in order for the partnership to be selected.









Evaluation Criteria

Partnerships will be evaluated based on the following criteria:

- Magnitude of publicly established goals;
- Delivery of results against publicly established goals for GHG reductions, reduced vulnerability to climate change impacts, etc.;
- Disclosure of measureable and verifiable results;
- Demonstration of innovation and thought leadership;
- Incorporation of measures to ensure sustainability of the program over time;
- Ability to be replicated by others, including commitment of partners to sharing lessons learned;
- Efforts to conduct public engagement, stakeholder outreach;
- Nature of governance, budget, and management of the partnership;
- Quality of education and training of internal and external stakeholders.









Examples

- Multiple municipalities partnering together to conduct regional planning and implementation activities (these partnerships can also include non-governmental entities as stakeholders);
- Government entities and/or academic institutions that partner with entities outside of their sector on a particular project; and
- Joint ventures between multiple institutions across sectors where the initiative is above and beyond the normal course of business operations for each of the primary stakeholders.
- Information on 2015 award winners can be found here:
 - <u>Chevrolet Clean Energy Campus Campaign</u>
 - <u>San Diego Regional Climate Collaborative</u>

What's Not Eligible

- Partnerships undertaking activities that are within the normal scope of business.
- Arrangements between organizations that are based on procurement of services.
- Activities and achievements that have been previously recognized specifically for climate action by the U.S. EPA and its partners.











SUPPLY CHAIN LEADERSHIP AWARD

Tim Juliani

Senior Director, Business Strategy & Partnerships Center For Climate and Energy Solutions (C2ES)



Supply Chain Leadership Award

<u>Overview</u>

- Leading organizations are increasingly moving beyond addressing the GHG impact of their own operations to a more comprehensive assessment of the GHG impacts along their entire supply chain—from the raw materials and products they buy from upstream suppliers to the products and services they provide to customers downstream.
- For many organizations, the overall GHG impact from the supply chain can greatly exceed that of internal operations, particularly when product lifecycle emissions are considered.
- This award category recognizes organizations that not only have their own comprehensive GHG inventories and aggressive emissions reduction goals, but also demonstrate they are at the leading edge of managing GHGs in their organizational supply chains.









Evaluation Criteria

- Applicants will be reviewed and evaluated based on their level of leadership, innovation, commitment, and technical achievements in managing and reducing GHG emissions throughout their corporate supply chain.
- Applicants citing significant achievements in U.S. and Canadian transportation and distribution-related supply chain activities must be both an EPA SmartWay partner and eligible for recognition under SmartWay's Excellence Awards criteria.
 - If an applicant is not eligible to be a SmartWay partner, then EPA's SmartWay Excellence Award criteria do not apply.
 - The six SmartWay member categories are: freight shippers, logistics companies (including 3PLs/4PLs), rail carriers, truck carriers, drayage truck carriers, and multi-modal carriers.









Supply Chain Leadership Award

Evaluation Criteria (cont'd)

- An independent panel of recognized subject matter experts and thought leaders across sectors will review the submissions.
- Leadership actions will be evaluated by:
 - Breadth and scope of the implemented program
 - Degree to which actions surpass normal business practice in a sector
 - GHG reduction potential or effect of the implemented actions
 - Level of commitment demonstrated by the applicant
- While supply chain leadership activities must be demonstrated between January 1, 2013 and September 25, 2015, applications may refer to activities before that time, and reviewers may also consider the length of time an action has been in practice before this period and when it was first implemented.









The application focuses on the following areas:

- Internal Administrative Actions: An opportunity to describe the internal administrative leadership actions the applicant has taken to address corporate supply chain GHG emissions. Examples include:
 - Designating an internal leader and/or team to address corporate supply chain GHG emissions
 - Codifying and implementing GHG-related criteria in procurement process (e.g. RFPs)
- **Collaboration:** A description of any collaborative leadership initiatives that the applicant participates in within its sector or across its corporate supply chain. Examples include:
 - Developing or delivering supplier GHG management education resources and/or workshops
 - Implementing supplier GHG emission surveys/scorecards
 - End-user and employee engagement programs









Supply Chain Leadership Award

- Measurement & Reporting: Examples of leadership actions in this category include:
 - Publicly reporting verified corporate supply chain emissions;
 - Encouraging and supporting corporate supply chain partner public GHG reporting using consistent reporting and verification protocols;
 - Conducting product lifecycle analyses.
- **GHG Reductions:** A description of the applicant's leadership in reducing corporate supply chain GHG emissions. Examples include:
 - Providing measurable and verified year-over-year reductions in scope 3 emissions;
 - Encouraging suppliers to establish public GHG baselines and set public GHG reduction goals;
 - Encouraging suppliers to manage their own supply chains; and
 - Achieving GHG reductions in the use phase of products.











INDIVIDUAL LEADERSHIP AWARD

Roger Fernandez

Manager of Corporate and Institutional Engagement Center for Corporate Climate Leadership U.S. Environmental Protection Agency



Individual Leadership Award

Overview

- Recognizes individuals demonstrating extraordinary leadership both in their own response to climate change and through engagement of their peers and partners.
- Applicants must have been employed and reside within the United States.
- Exemplary climate leadership activities must have taken place between January 1, 2013 and September 25, 2015.
 - Applications may also refer to actions that commenced before that time and continued into the application period and the length of time an action has been in practice, or that explains how that prior activity served as a foundation for ongoing and more current activities.









Individual Leadership Award

Primary Evaluation Criteria

- Innovation, strategic management, and thought leadership in addressing climate change.
- **Key climate initiatives** led by the applicant, and subsequent goals, benchmarks and plans for measuring success implemented by applicant.
- Quality of engagement with non-profit partners, government organizations, and/or other non-advocacy collaborations.
- **Quality of collaboration** with peers to develop best practices, influence behavior change, establish standards, and engage in public education.
- Education and training of internal staff and management, as well as external stakeholders, partners, and suppliers.

Note: All activities must be deemed to exceed business-as-usual; at least two third-party reference forms are required.











ORGANIZATIONAL LEADERSHIP AWARD

Roger Fernandez

Manager of Corporate and Institutional Engagement Center for Corporate Climate Leadership U.S. Environmental Protection Agency



Organizational Leadership Award

Overview

- Recognizes organizations that not only have their own comprehensive greenhouse gas inventories and aggressive emissions reduction goals, but also exemplify extraordinary leadership in their internal response to climate change, and engagement of their peers, partners, and supply chain.
- Applications will be reviewed by EPA, C2ES, and The Registry in collaboration with independent committees of recognized experts.
- Exemplary climate leadership activities must have taken place between January 1, 2013 and September 25, 2015.
 - Applications may also refer to actions that commenced before that time and continued into the application period and the length of time an action has been in practice, or that explains how that prior activity served as a foundation for ongoing and more current activities.









Organizational Leadership Award

Evaluation Criteria

Applicants will be evaluated based on the following attributes:

- Innovation and thought leadership in developing operational strategies to address climate change;
- **Disclosure** of climate-related material risks and opportunities;
- **Strategic integration** of climate mitigation and resilience activities into applicant's operations, including establishing management structures, verifying performance, allocating budget, engaging the supply chain, and demonstrating a track record of establishing and achieving GHG reduction and climate risk mitigation goals;
- Key climate initiatives and subsequent goals, benchmarks, and plans for measuring success;









Evaluation Criteria (cont'd)

- Quality of engagement with external stakeholders non-profit partners, governmental organizations, and/or other non-advocacy collaborations in which the applicant is an active participant;
- Education and training of internal staff and management, as well as external stakeholders, partners, suppliers, competitors, and/or others.

Note: Reviewers will be looking for described activities that exceed business-as-usual; up to three third-party reference forms are required.

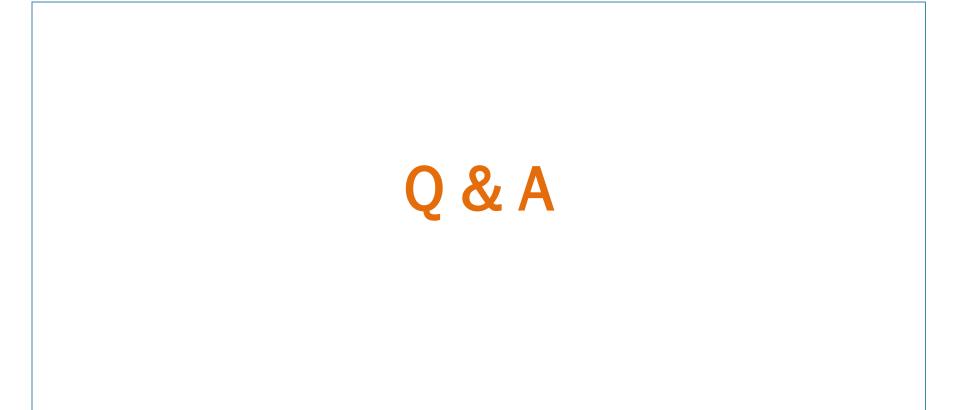














Reminder of Important Dates

<u>2015</u>

- June 24 Award application period opens
- September 25 Award application period closes
- December/Jan. Winner and non-winner notifications

<u>2016</u>

- March 8-10 Climate Leadership Conference, Seattle, Washington
- March 9 Climate Leadership Awards Dinner, Seattle, Washington









- Send Awards questions to:
 - <u>questions@climateleadershipawards.org</u>
- Submit final application forms via email to: – <u>applications@ClimateLeadershipAwards.org</u>
- Awards Website
 - <u>epa.gov/climateleadership/awards</u>
- Climate Leadership Conference Website
 - <u>ClimateLeadershipConference.org</u>





