FROM AMBITION TO ACTION

YOUR CLIMATE JOURNEY STARTS HERE

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Nordic Platform for Mobilising Climate Finance

Target setting and reduction roadmaps

29 Sept 2020

Nordic Council of Ministers

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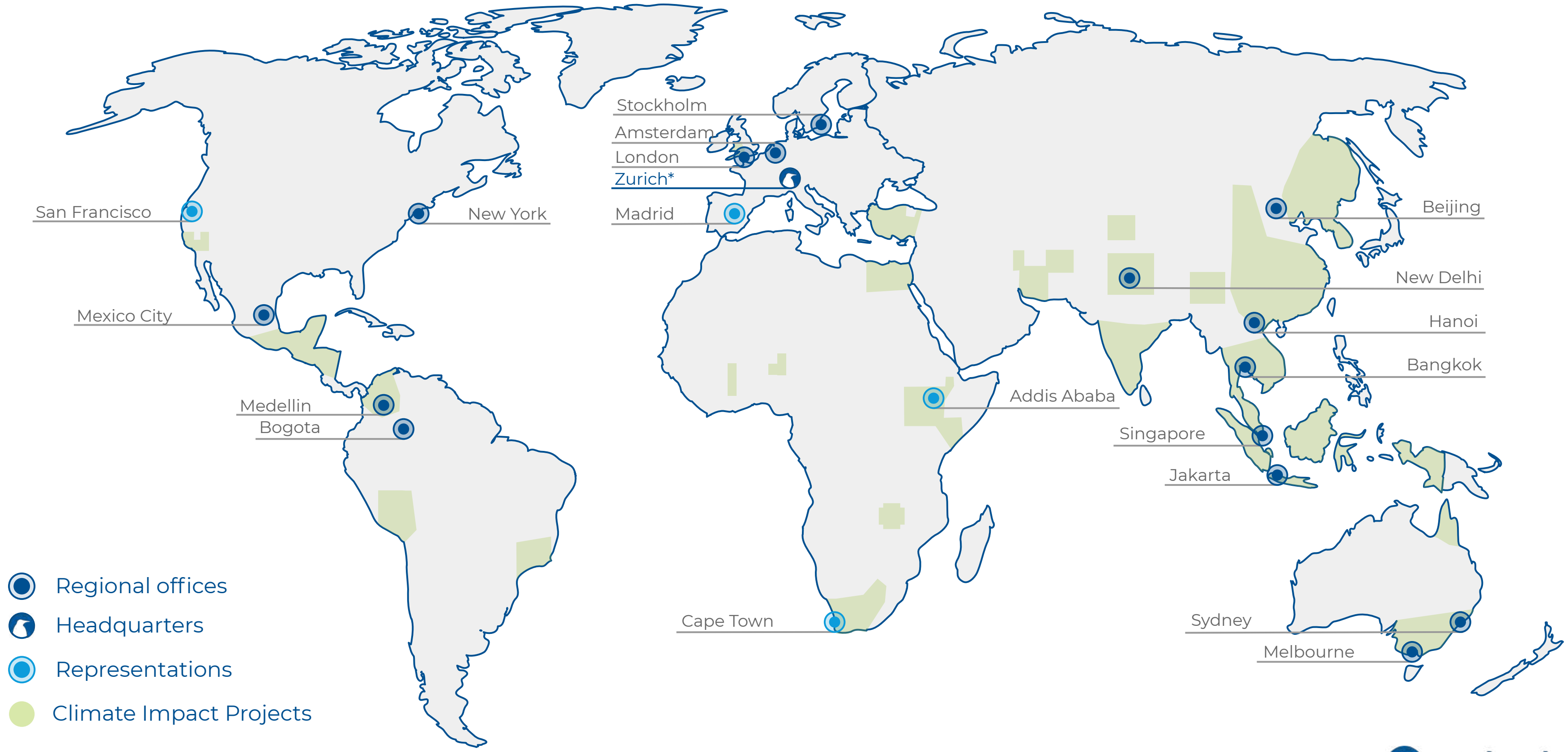
Welcome to our webinar

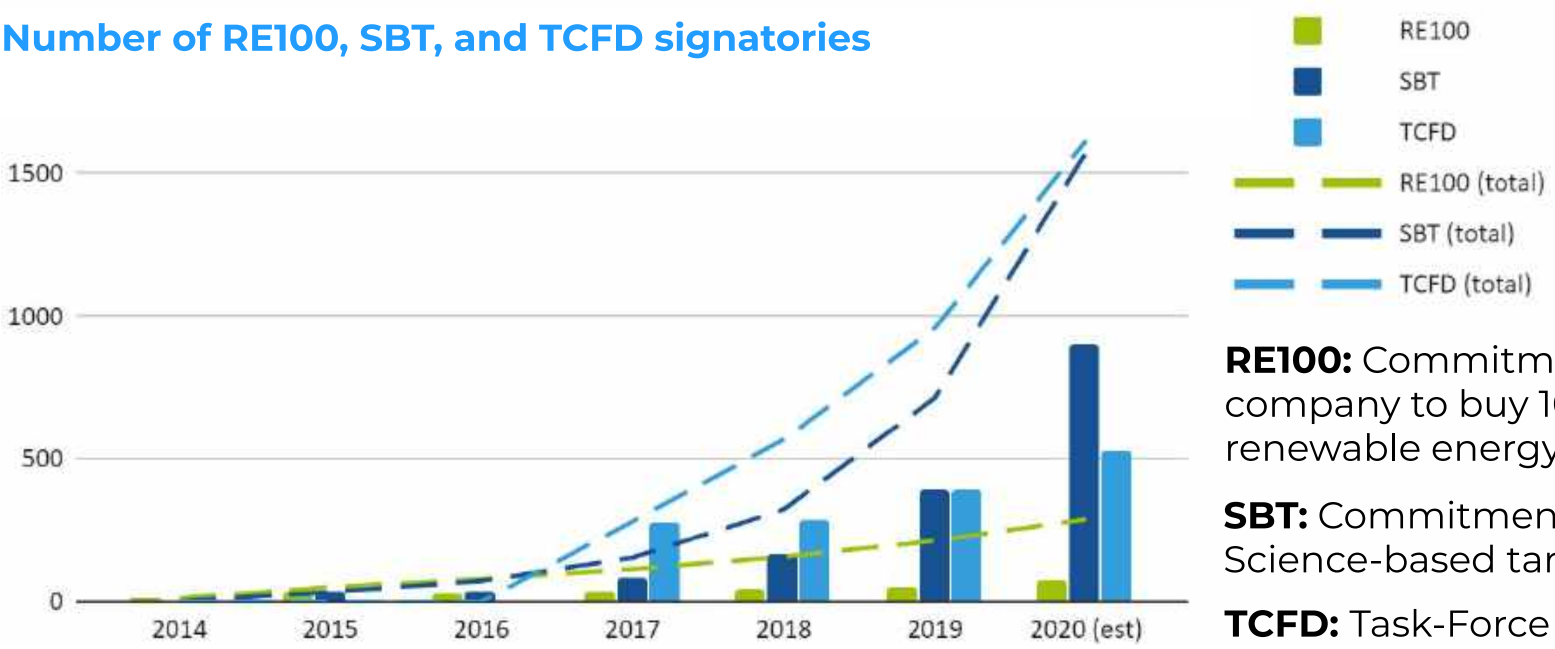
- **Default audio setting:** mute on joining
- **Questions** via the ***Question box*** are welcome at any time
    - Technical support: we will aim to resolve ASAP
    - Topic-related questions for the discussion: Q&A at the end
- Some of us might be broadcasting from **our homes**. Please bear with us in case of sound and/ or technical issues
- The webinar will be **recorded**
- Until **11:30 AM** (flexible)
- **Landing page**: https://www.southpole.com/en/nordic-platform-for-mobilising-climate-finance

Our global reach



Climate commitments are growing fast

Number of RE100, SBT, and TCFD signatories



RE100: Commitment by company to buy 100% renewable energy

SBT: Commitment to set a Science-based target

TCFD: Task-Force for Climate Related Disclosure; commitment to disclose climate risks

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Hosts

Marie Gustafsson
Managing Consultant
South Pole

Charles Henderson
Head of Climate Strategies Practice
South Pole

Ramona Bettler
Marketing & Events Manager
South Pole

Speakers

Emelie Öhlander
Climate Action Program Manager
Ericsson

Lea Rankinen
Sustainability Director
Paulig

Nina Elomaa
Senior Vice President Sustainability
S Group

Andreas Ahrens
Head of Climate
IKEA

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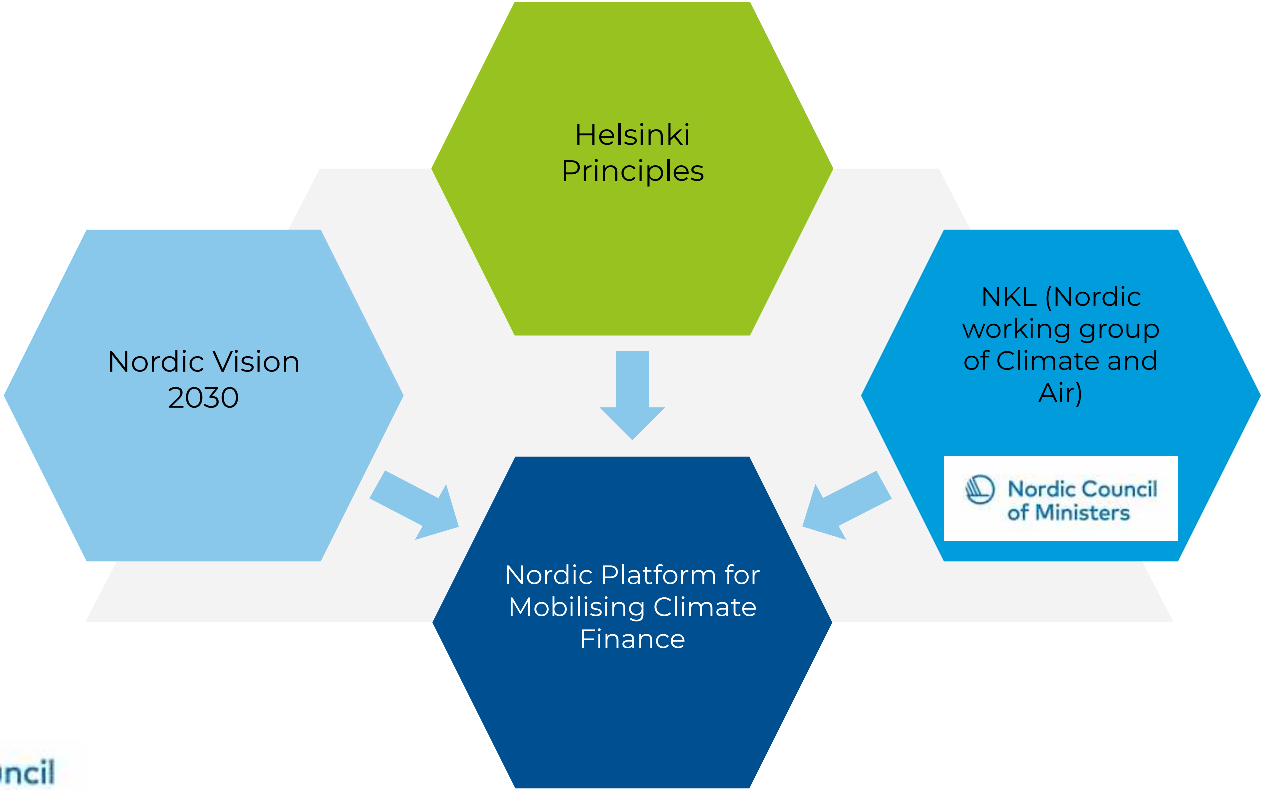
Nordic Platform for Mobilising Climate Finance

An introduction

The platform



Nordic Council of Ministers

The platform

Our goal

To highlight areas where Nordic cooperation within the Nordic Council of Ministers can support the road towards carbon neutrality

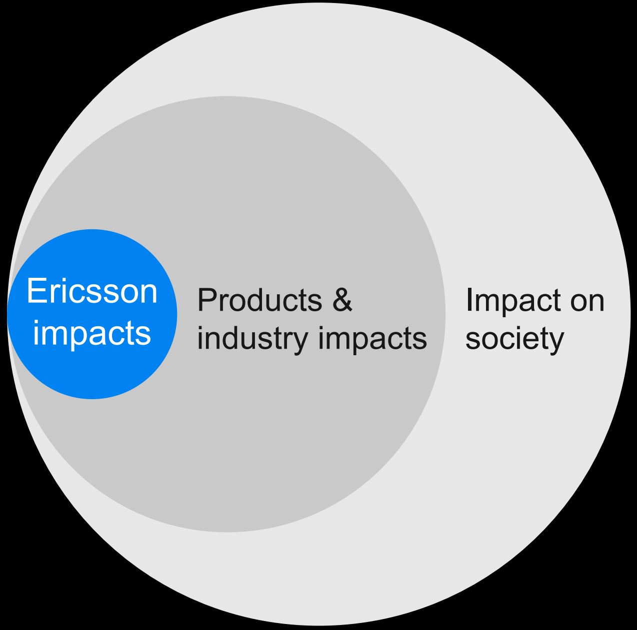
The means

Knowledge sharing and discussions through Webinars & Workshop - distilling insights, learnings, challenges and solutions

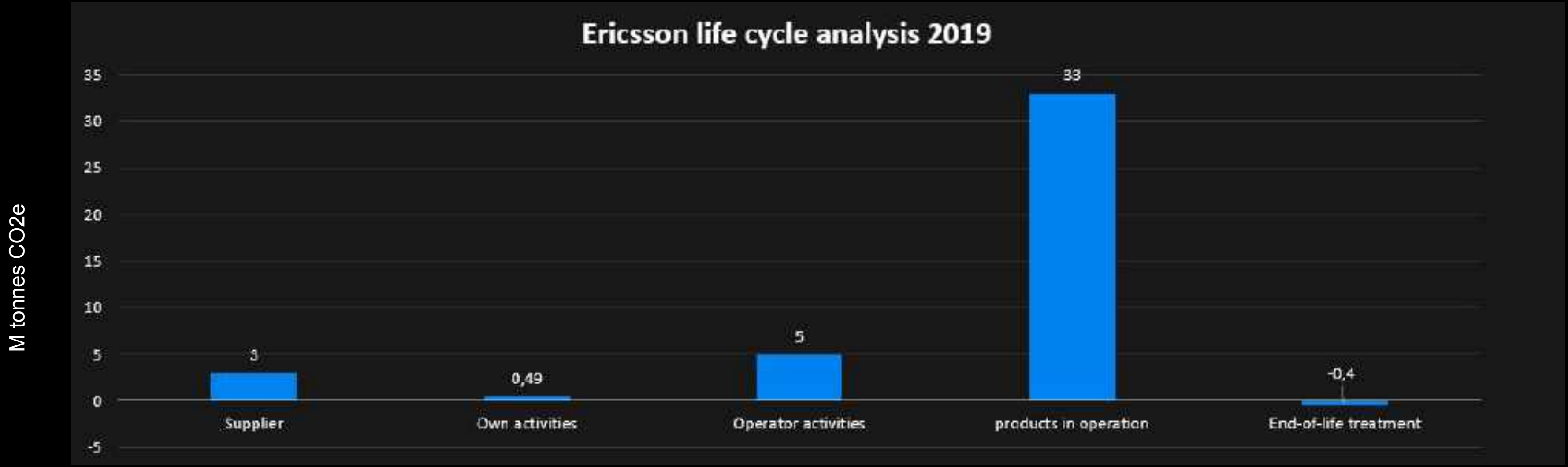
Empowering an intelligent, sustainable and connected world

Strategic focus areas

- Responsible business
- Environmental sustainability
- Digital inclusion



Direct climate targets for Ericsson



90%

of supplier emissions shall have 1.5 C aligned climate targets by 2025

CO_2 neutral

for direct operations by 2030

1.5°C SBT

Reducing 35% by 2022 from 2016 baseline

1.5°C SBT

of supplier emissions shall have 1.5 C aligned climate targets by 2025

10X

more efficient 5G portfolio than 4G by 2022

Reducing the impact of digital networks

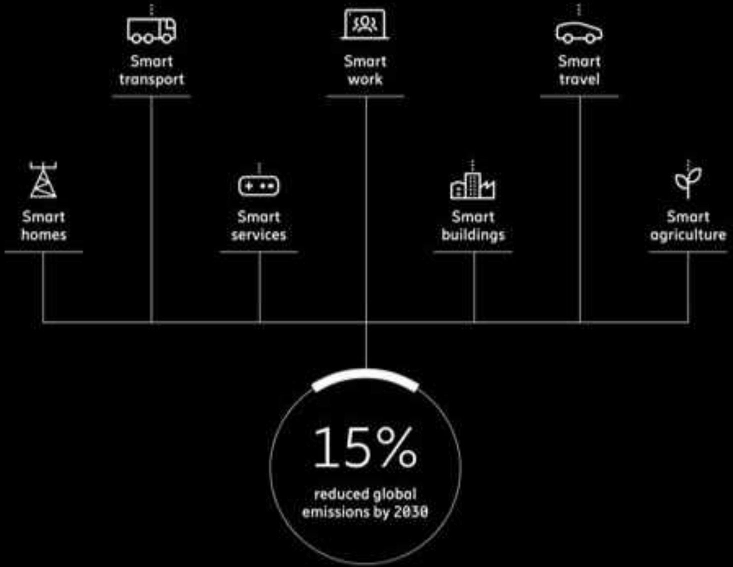
$25 billion
annual energy costs of running mobile networks globally

5X
increase in global mobile data traffic by 2025

Source: Ericsson Mobility and Breaking the Energy Curve reports

Climate Action

The ICT enablement effect



The ultimate guide to 1.5°C climate action

PILLAR 1
Reduce your own emissions

SBT for own activities 35% in scope 1, 2 (& 2 areas of scope 3.) by 2022 (baseline 2016)

48% reduction between 2011 and 2016 within own activities.

Increase scope of targets and finalized the first 10 year target for Ericsson in sustainability.

PILLAR 2
Reduce your value chain emissions

SBT, to achieve **35% energy saving in our Ericsson Radio System by 2022** compared to the legacy portfolio in 2016

The suppliers that corresponds to 90% of our supply chain emissions shall have 1.5 degree aligned targets for at least scope 1 and 2 by 2025.

Supply sustainability program in place in 2020, looking to end to end solutions

PILLAR 3
Integrate climate in business strategy

E/// Purpose: ***Empowering an intelligent, sustainable and connected world***

Get each division to work with sustainability and get the drive – not us. Essential part in strategy.

Support customers to understand where they can reduce the most. Breaking the Energy Curve concept developed.

PILLAR 4
Influence climate action in society

Responsible for only **1.4% of the global carbon footprint**, the ICT sector has an enormous potential to support climate action by enabling up to **15% in carbon emission reductions by 2030**.

Partnership with customers and partners to influence change in society.

ICC

ERICSSON

WWF

PIK

Internet of Planet

HagaInitiative

Telia Company

SCANIA

We Don't Have Time.

SKANSKA

IKEA

M2020

MAX

normative

wbcsd

WE MEAN BUSINESS

2050

ClimateView

RAMBOLL

Fossil Free Sweden

SITRA

KTH

AFRY

URGENTEM!

RAGN-SELLS

PROJECT EVERYONE

THE NEW DIVISION

SWECO

FORMICA

Uppsala klimatprotokoll

Mistra SAMS

Cradlenet

ClimateHero

VINNOVA
Sweden's Innovation Agency

ROSSA

GO. Climate Neutral

BREAKIT

Two complementary initiatives

ERICSSON

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE 1.5°C BUSINESS PLAYBOOK

EXPONENTIAL ROADMAP INITIATIVE

WWF

Target setting based on IPCC 1.5°C carbon budgets

Supporting tools freely available

Independent validation by technical expert group

Support setting climate targets grounded in the latest science

Target setting based on Carbon Law

Focus on Strategy and Action

Partners contribute with work and exponential scale-out

Figure loaned from WWF and 1.5 Business playbook

Paulig Group Sustainability Approach 2030 and Science-based Targets

Lea Rankinen, Director, Sustainability & Public Affairs

PAULIG

WHY / WHAT / HOW

Food is a big part of the problem.

CLIMATE CHANGE

18%

of all greenhouse gas emissions are caused by agriculture

FOOD WASTE

30%

of all food is lost or wasted

WATER USE

70%

food production is responsible for of freshwater use of

RESOURCE SCARCITY

X2 -2

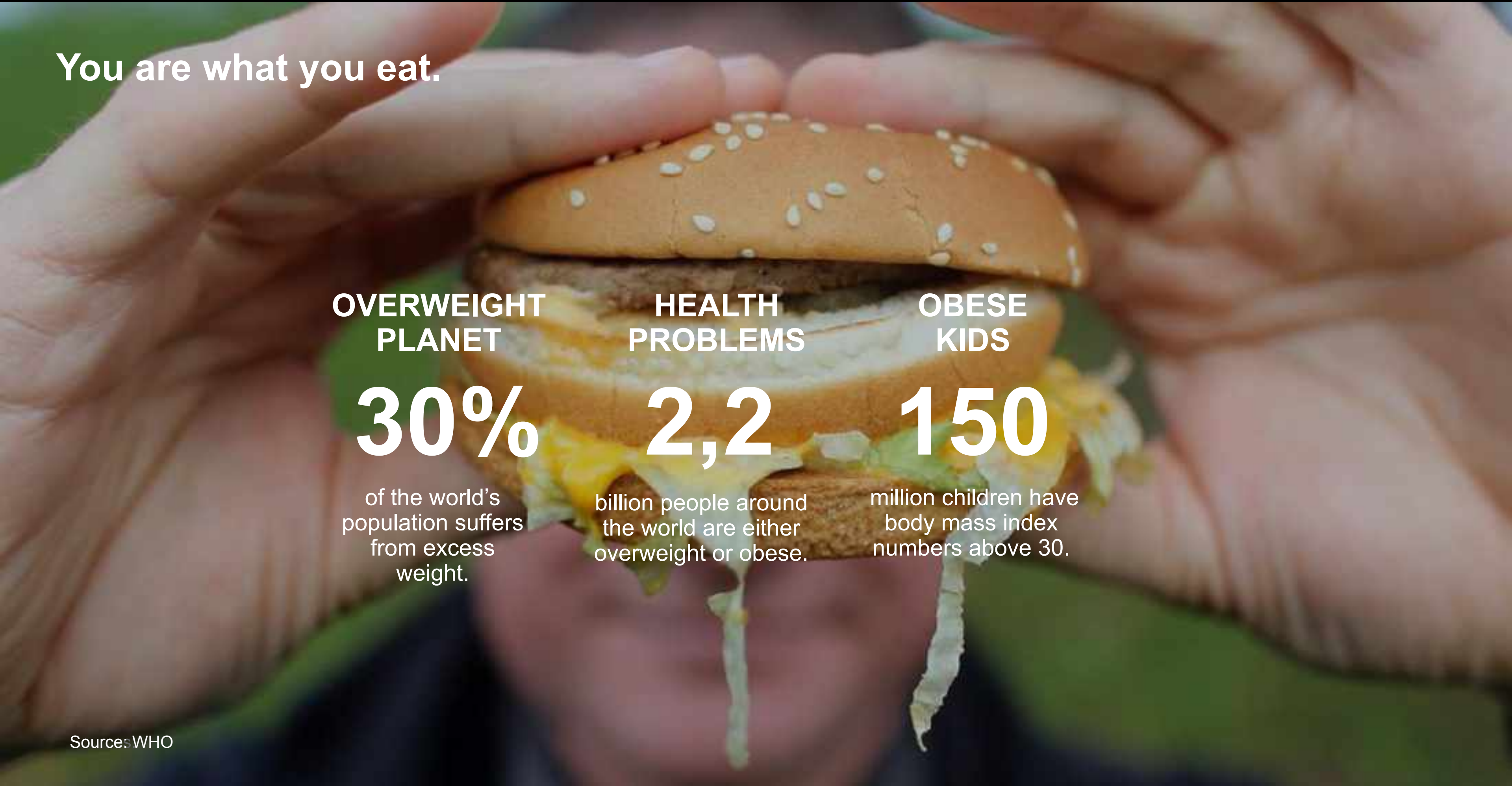
global coffee demand will have doubled by 2050, but the suitable land to grow it on will be cut in half

HUMAN RIGHTS & LIVELIHOODS

71%

of child labor worldwide is found in agriculture, 108 million children

Sources: UN, FAO, World Bank, World Coffee Research



You are what you eat.

OVERWEIGHT PLANET

30%

of the world's population suffers from excess weight.

HEALTH PROBLEMS

2,2

billion people around the world are either overweight or obese.

OBESE KIDS

150

million children have body mass index numbers above 30.

Source: WHO

Consumers are demanding sustainable alternatives.

93%

of millennials say they would buy a product because it is associated with a cause*

* World Economic Forum’s Engaging Tomorrow’s consumer project

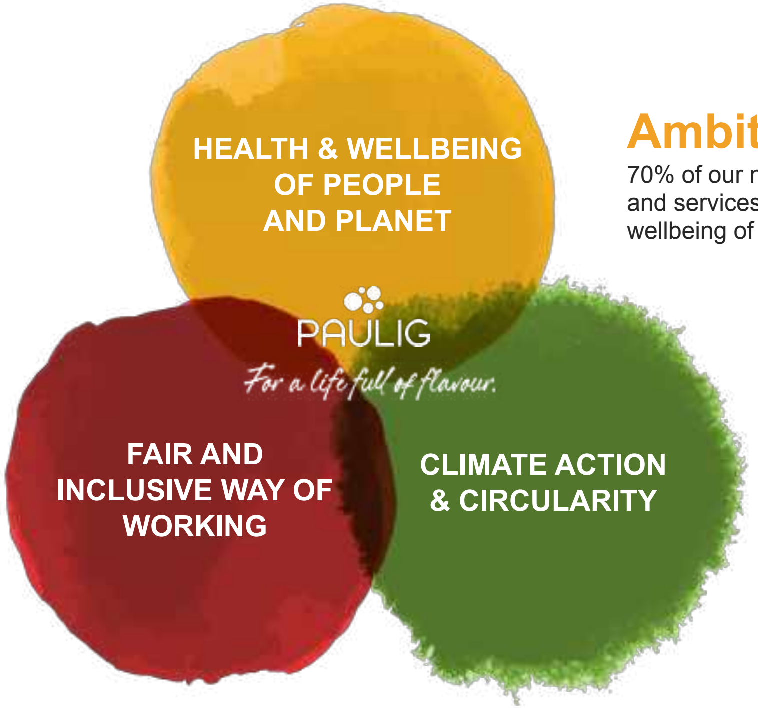
Food can also be a big part of the solution…

The planetary health diet.
Good for people, good for planet.

Our long-term ambition is to become a sustainable frontrunner among Food & Beverage companies by 2030.

SUSTAINABILITY AMBITIONS

Paulig's sustainability focus areas and ambitions 2030



Ambition:

70% of our net sales comes from products and services which enable health and wellbeing of people and planet

Ambition:

100% of raw materials from high-risk areas come from sustainable sources verified by external parties

Ambition:

80% less GHG emissions from own operations, 50% less GHG emissions in our value chain

SCIENCE BASED TARGETS

Climate targets approved by the Science Based Targets Initiative

- 100% of packages are made from renewable or recycled materials and are recyclable

KEY ENABLERS: Resource efficiency, Transparency, Partnership, Dialogue, Digitalisation, Regenerative agriculture

Our value chain is extensive

- We source from about 80 countries and we have 660 suppliers
  - About 1000 raw materials
  - About 4000 packaging materials
- We operate in 13 countries
  - Our product range is almost 100% plant-based, and we will continue to develop our products in a healthier direction as well as innovate new products which are good for both people and the planet
- Our products are sold in more than 70 countries

Collaboration with employees, customers, suppliers, and even competitors.

SUSTAINABILITY ACHIEVEMENTS

Paulig has set ambitious science-based climate targets

Our **science-based climate targets** were **approved by the Science Based Targets initiative** in July 2020.

CLIMATE ACTION AND CIRCULARITY

SCIENCE BASED TARGETS

Ambition:

80% less GHG emissions from own operations,
50% less GHG emissions in our value chain

Paulig is the **first food and beverage company in Finland** and among frontrunner companies globally that have climate targets approved by the SBTi.

Paulig has stepped up to **support the Business Ambition campaign for 1.5°C** and committed to limit the global temperature rise to a maximum of 1.5°C in its operations and value chain.

SUSTAINABILITY ACHIEVEMENTS

Reducing climate impact in our operations and value chain

1.

In own operations focus on continuously improving energy efficiency and increasing share of renewable energy.

2.

In R&D product portfolio, strong focus on inspiring and tasty plant-based products.

3.

In value chain strong collaboration with supply chain partners to promote sustainable farming practices.

SUSTAINABILITY ACHIEVEMENTS

Packaging development is one of our key focus areas

Up to
45%
LESS CO2 IMPACT FROM PACKAGES

56%
FROM RENEWABLE MATERIALS

35%
LESS CO2 IMPACT FROM PACKAGES

-150
TONNES PLASTIC

80%
LESS CO2 IMPACT FROM PACKAGES

72%
FROM PLANT-BASED MATERIALS

Our ambition is that by 2030, all our packages will be recyclable and made from renewable or recycled materials.

Reducing climate impact in our operations and value chain

CLIMATE ACTION AND CIRCULARITY

All our production sites in Finland and Sweden use 100% **renewable energy**. Our goal is to further **increase the use of renewable energy** in other locations as well.

Risenta products are
100% climate compensated.

97% of Paulig’s CO_2 emissions comes from our value chain.

Own operations

Main contributors in own operations:

Energy Consumption & Energy sources

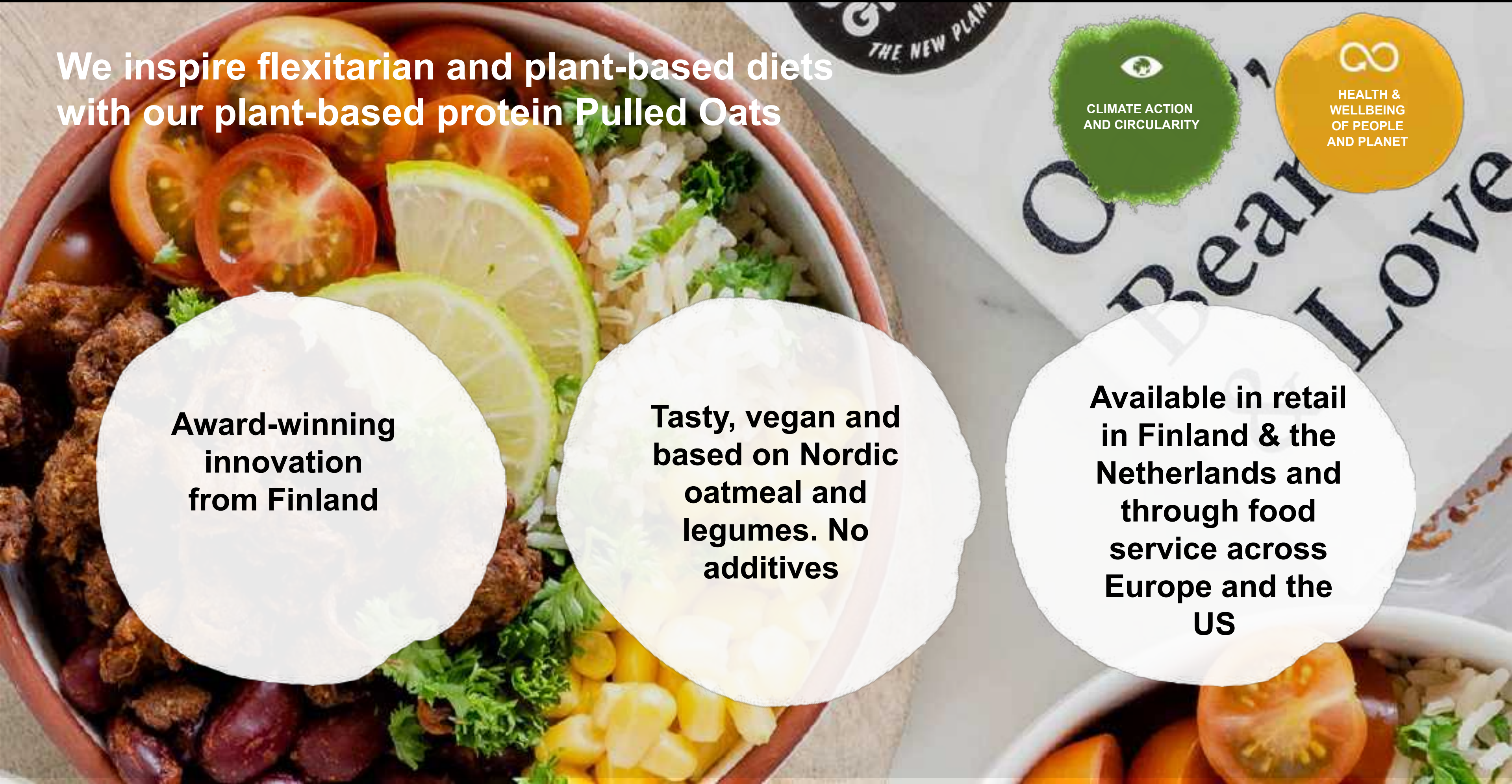
Value chain

Main contributors in value chain:

1. Raw materials
2. Logistic
3. Packaging
4. Waste

Paulig’s total CO_2 emissions: 842 700 tonnes

SUSTAINABILITY ACHIEVEMENTS



We inspire flexitarian and plant-based diets with our plant-based protein Pulled Oats

CLIMATE ACTION AND CIRCULARITY

HEALTH & WELLBEING OF PEOPLE AND PLANET

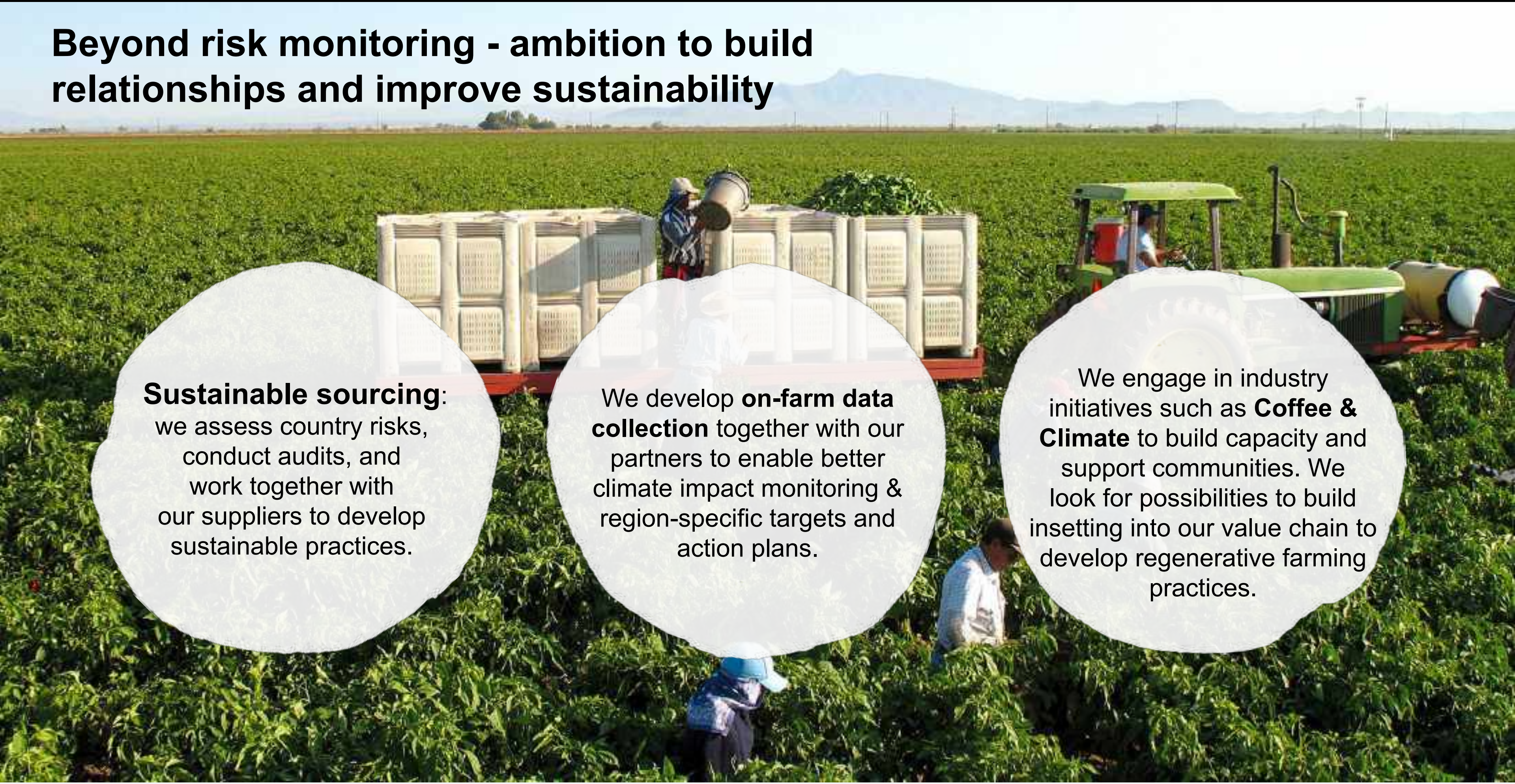
Award-winning innovation from Finland

Tasty, vegan and based on Nordic oatmeal and legumes. No additives

Available in retail in Finland & the Netherlands and through food service across Europe and the US

ENGAGING THE SUPPLY CHAIN

Beyond risk monitoring - ambition to build relationships and improve sustainability



Sustainable sourcing: we assess country risks, conduct audits, and work together with our suppliers to develop sustainable practices.

We develop **on-farm data collection** together with our partners to enable better climate impact monitoring & region-specific targets and action plans.

We engage in industry initiatives such as **Coffee & Climate** to build capacity and support communities. We look for possibilities to build insetting into our value chain to develop regenerative farming practices.


For a life full of flavour.

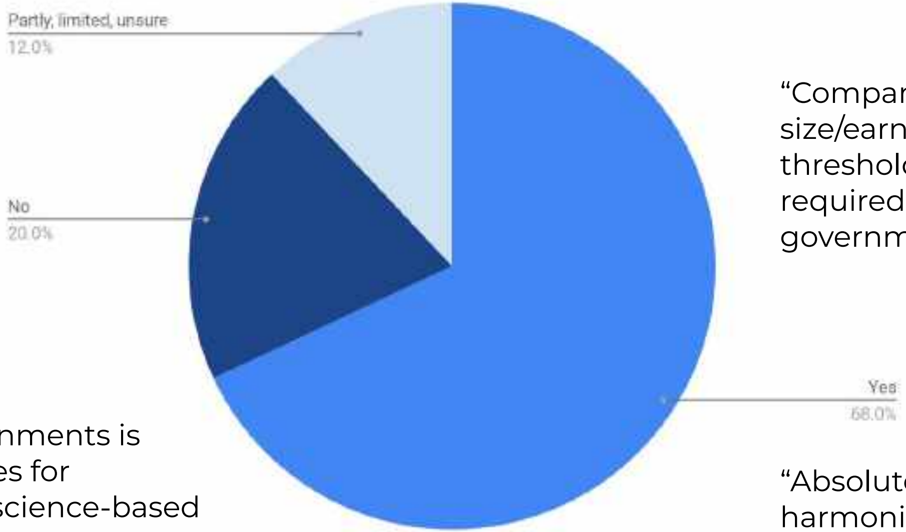
What we have asked you

Is there a role for (Nordic) governments to facilitate the setting of Science-Based Targets for companies?

"Assistance yes, but legislation no"

"No, I think that companies need to show strong leadership here."

"I think the role of governments is promotion and incentives for companies which have science-based targets"



"Companies over certain size/earning over certain threshold of revenue should be required to set SBTs by governments"

"Absolutely, to facilitate/promote harmonised and coordinated efforts"

➢ **Task: what role according to you?** Answer through the question box

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S Group Climate Roadmap

Nina Elomaa, SVP Sustainability

Nordic Platform 29.9.2020

S Group in brief

Number one grocery store

Number one in department stores and beauty

Finland’s most trusted bank

Number one service station

Number one in restaurants, number two in hotels

A challenger in hardware trade

THE BEST PLACE TO LIVE
responsibility programme

paraspaikkaelaa.fi **#paraspaikka**

- **We take responsibility** for consumers and the viability of the Finnish food product chain both nationally and locally.
- We create well-being by investing in and buying **local** and domestic products and services.
- We are an important Finnish **employer** and taxpayer.

- We offer co-op members solutions **for reducing emissions** and for sustainable consumption.
- We look for **the best solutions** to reduce the impact that our own operations have on the climate and environment.
- We look for ways to develop **sustainable** production and raw materials.

- **Openness**, transparency and responsibility are part of our operating culture.
- We promote **human rights** in our supply chains.
- We promote **diversity**.

- We offer products and service solutions that increase health and **well-being** and help our customers to make healthy choices.
- We take care of our **personnel's** well-being.

S Group Climate Action

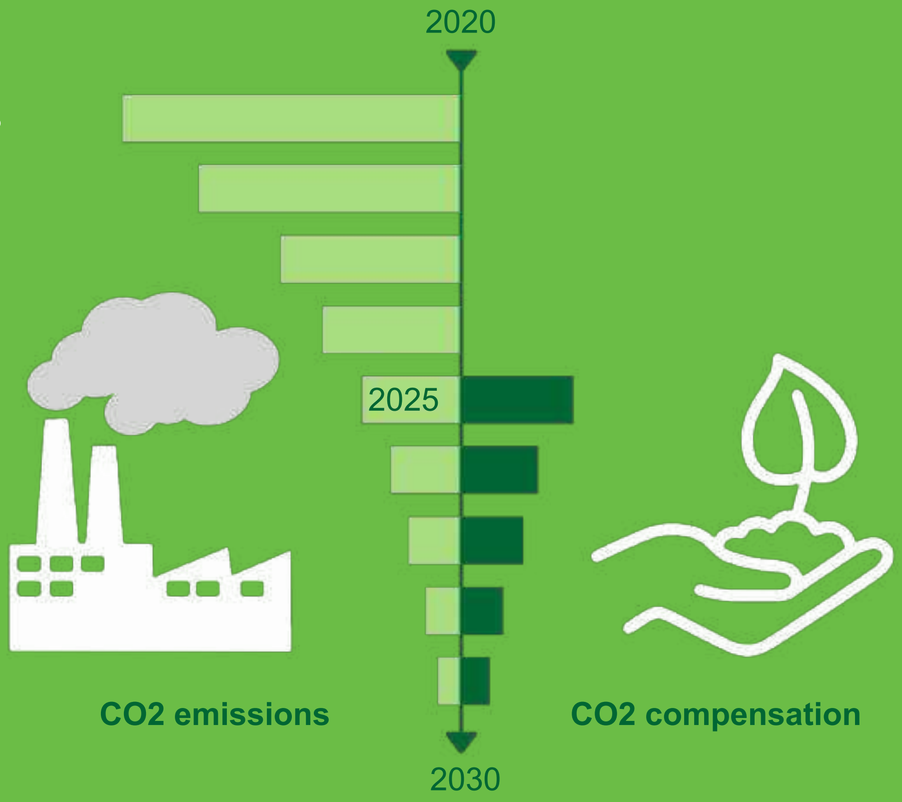
Carbon negative S Group by 2025

We help our customers towards climate smart life

We encourage our suppliers & partners setting in their climate targets

How to reach the target?

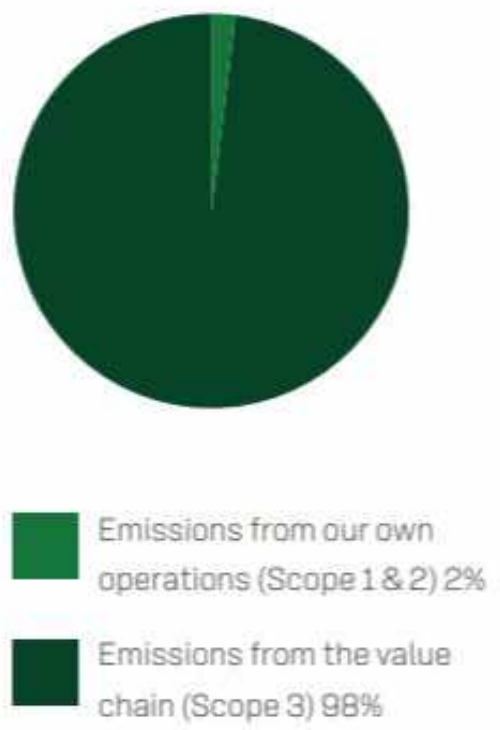
1. **S Group will reduce climate emissions from its own operations by 90% by 2030**
2. **100 % renewable electricity 2030**
3. **Energy efficiency investments**
4. **Compensation & carbon sequestration**



S Group's climate impact 8,5 milj.tn CO2

Impact: around 12% of Finland's consumption based emissions

S Group's emissions 2019



S Group climate action and supplier engagement

- We have an absolute value chain emissions reduction target of one million tonnes CO2 by 2030 via Big Deal Campaign
- We encourage our significant suppliers (2/3 of spend) to set their (science-based) emissions reduction targets by 2023
- In order to track the climate performance of our significant suppliers, in 2019 we joined the international CDP Supply Chain program and asked a share of our suppliers to report their climate performance for the first time
- We want to help and support suppliers in setting the targets and will be offering information and insights regarding target setting and CDP reporting

Big Deal Climate Campaign turned into real climate collaboration

Already 114 partners in the campaign

Emission reduction 25 000 tonns

Out of S Group suppliers by spend
54%
have already set or plan to set
science-based climate targets for their own operations.

59% reporting via CDP Supply Chain Program

My Purchase Service

- Carbon footprint calculator to follow your grocery purchases carbon footprint
- Target is to inform customers on their footprint and encourage to increase the share of vegetables in their diets

Other climate activities

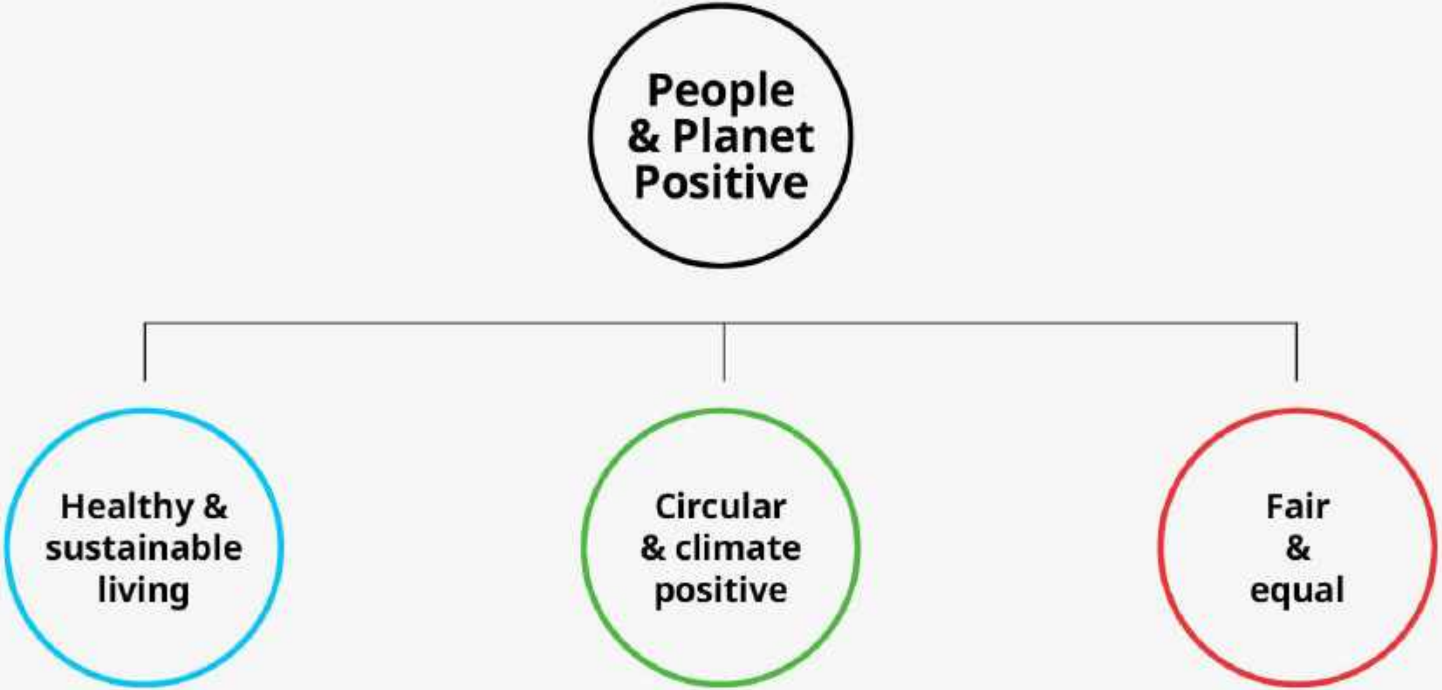
- Investments on the own renewable electricity production: wind and solar power. S Group is the biggest producer of the solar power in Finland
- Piloting different compensation methods and marketplaces
- Supporting climate research for creating a carbon sequestration verification system that will enable emission compensation in the farmland

Thank You!

Climate positive

What does it mean and how did we get there?

Andreas Ahrens
Head of Climate, Inter IKEA Group
2020-09-29

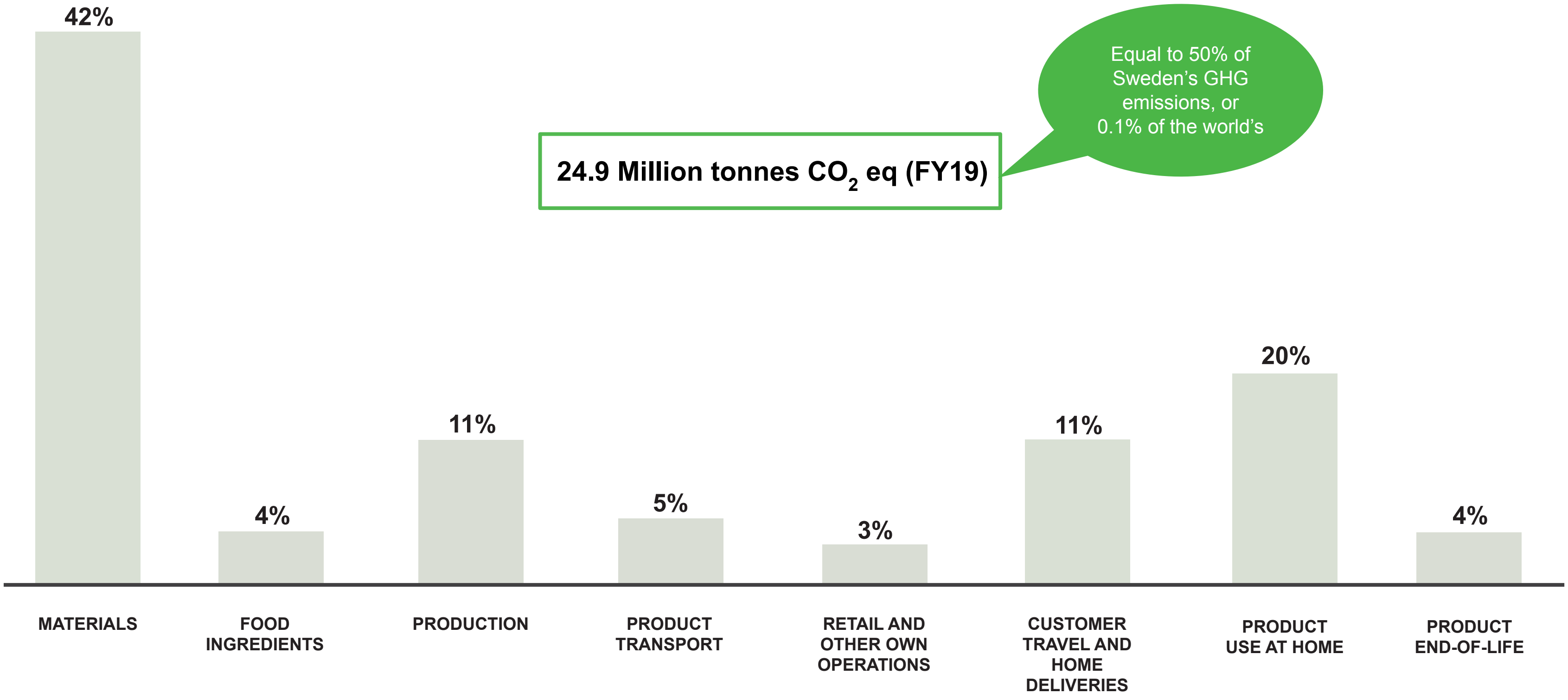

People & Planet Positive
Healthy & sustainable living
Circular & climate positive
Fair & equal


By 2030, our ambition is to become climate positive by reducing more greenhouse gas emissions than the IKEA value chain emits, while growing the IKEA business.


IKEA committed to contribute in limiting climate change to 1.5°C
1.5°C
BUSINESS AMBITION FOR 1.5°C
EXPONENTIAL ROADMAP Initiative
1.5°C SUPPLY CHAIN LEADER
APPROVED SBTs FOR 1.5°C
SCIENCE BASED TARGETS

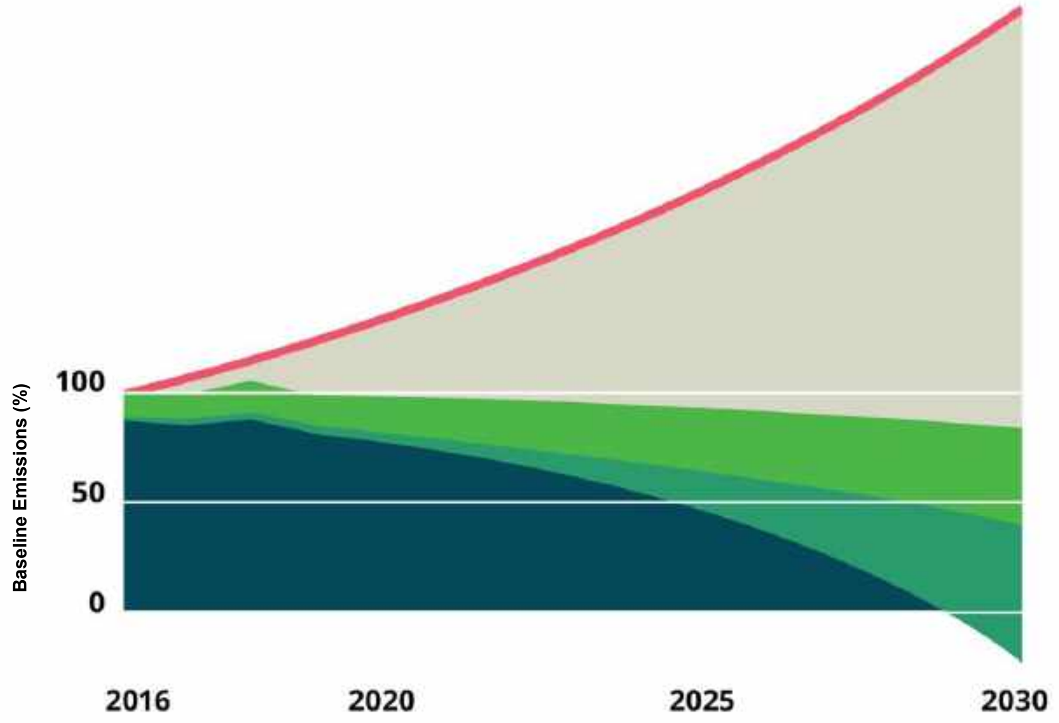
IKEA climate footprint

Taking a full value chain responsibility



IKEA climate footprint

Becoming climate positive



Business as usual

Scope of science-based targets today

Drastically reducing GHG emissions

Additional effect to reach net-zero by latest 2050

Carbon removals and storage through forestry, agriculture and products

Additional reductions in society
(no carbon offsetting)

Becoming climate positive

How did we get here?

1. Part of the problem, part of the solution
2. What are our basic principles?
3. What does science say?
4. Are our footprint models enabling us to track movements?
5. Explore: Absolute reductions of GHG emissions – even possible?
6. Anchor throughout all management levels
7. Commit externally
8. Continue to learn & develop

Climate positive shared strategic initiative

The three phases

Phase 1: FY16-18

Develop baseline & targets

Phase 2: FY19-23

Develop business & competence

- Climate road maps in business plans purchasing, range & product development and retail
- Material directions in line with goals & speeding up execution
- Capability for performance follow-up & scenario analysis (digital readiness)
- Competence development

Phase 3: FY24 and beyond

Further developing the agenda & content

Becoming climate positive

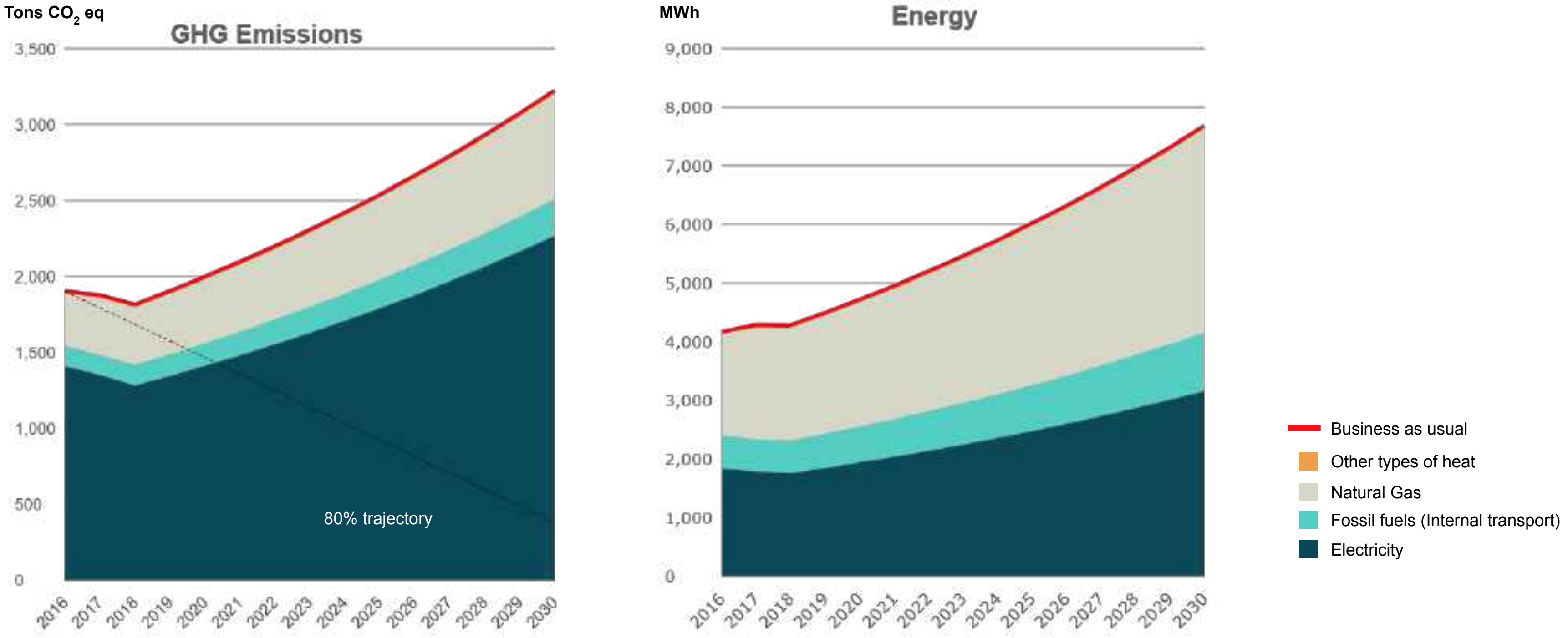
Climate road maps

1. Develop together with business and suppliers
2. Create understanding of what is driving the climate footprint
3. Together identify solutions
4. Prioritise and set portfolio of projects and actions

Scenario analysis: Climate simulation tool – Production example

Business as usual

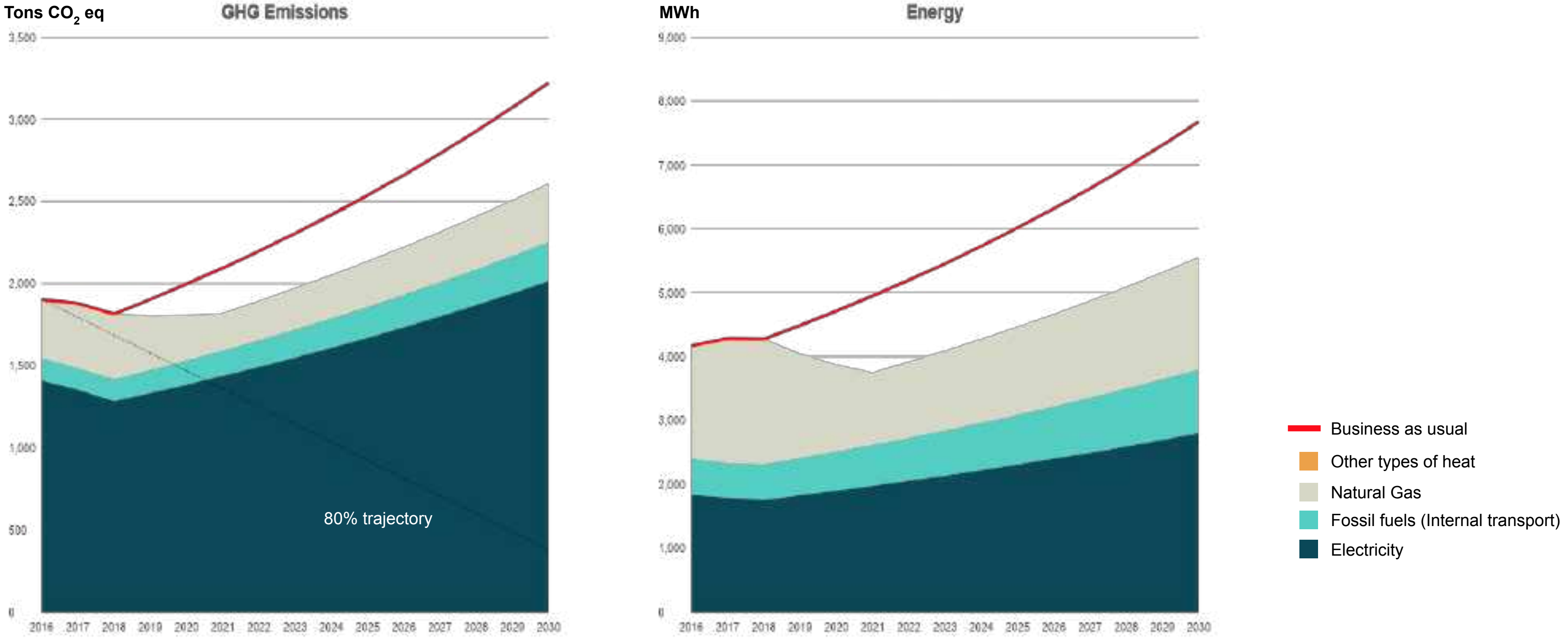
Scenario: Do nothing



Scenario analysis: Climate simulation tool – Production example

1. Energy efficiency

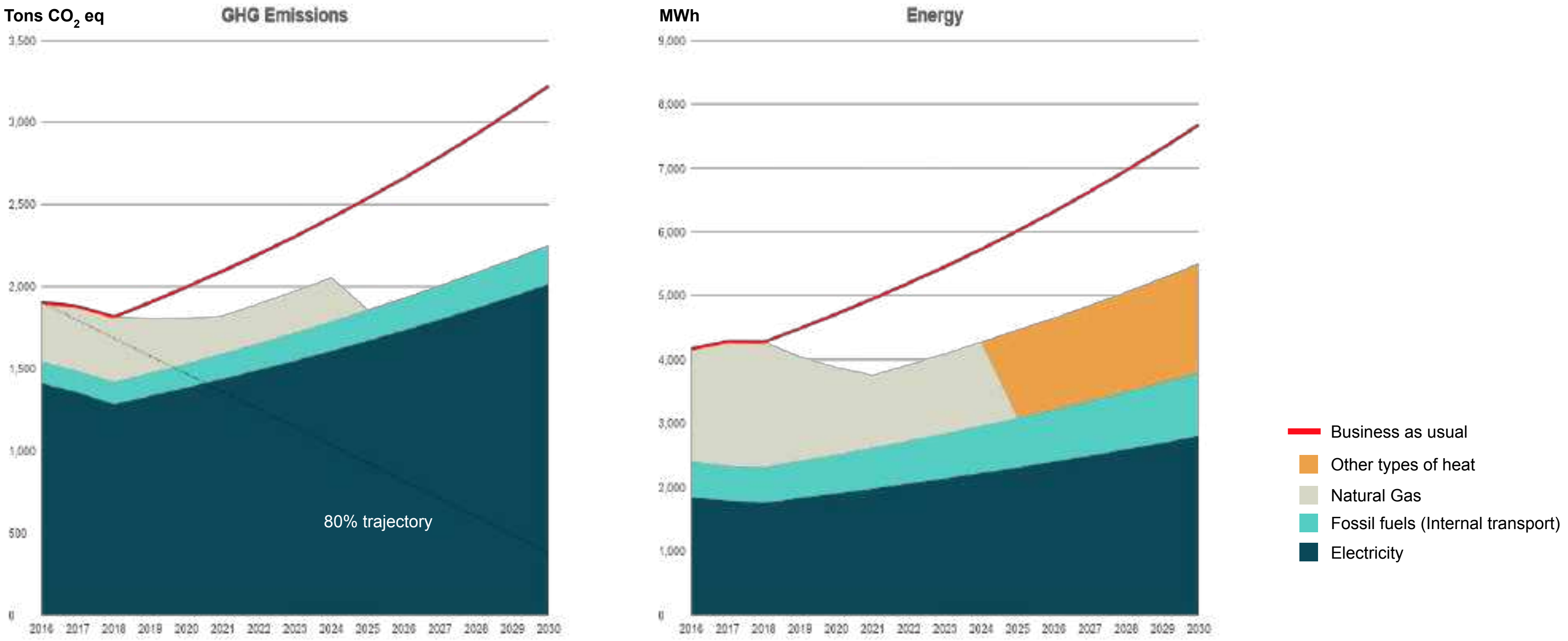
Scenario: Building insulation and utilisation of waste heat from compressors



Scenario analysis: Climate simulation tool – Production example

2. Change energy source

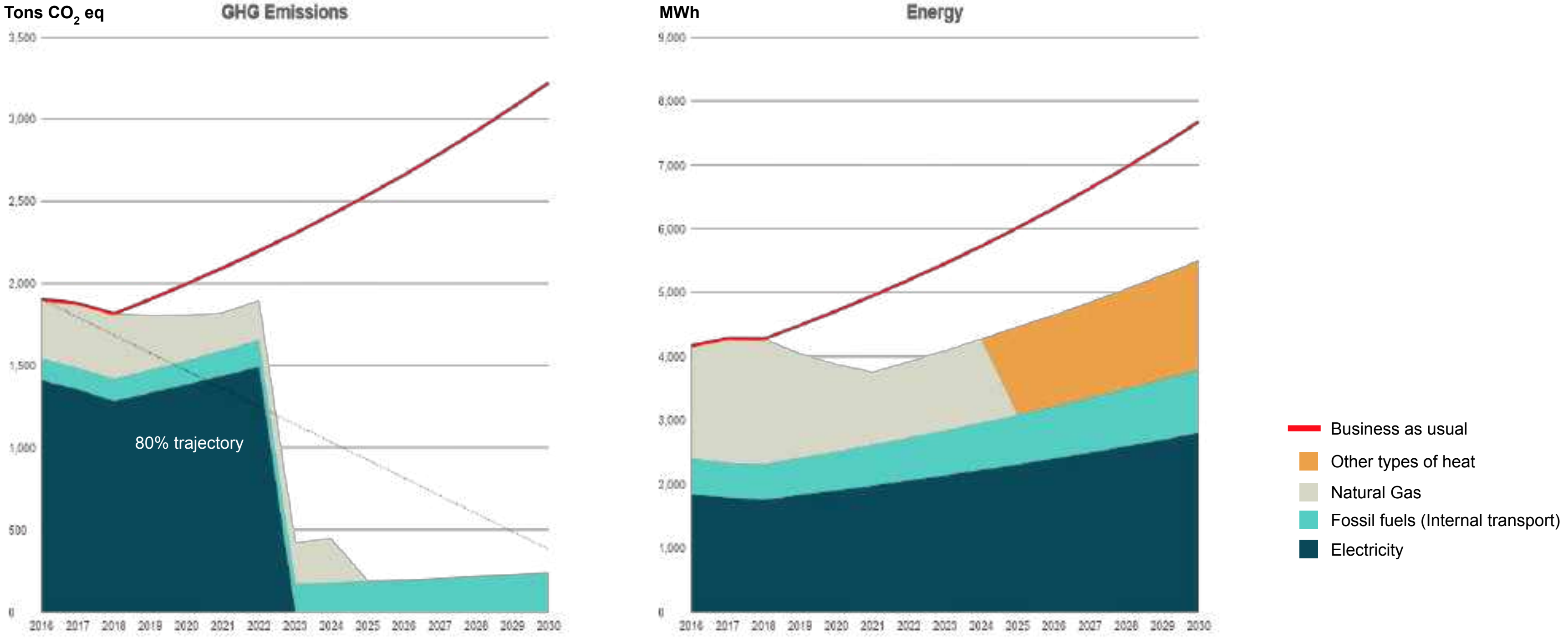
Scenario: Natural gas changed to Heat (geothermal & solar)



Scenario analysis: Climate simulation tool – Production example

3. Renewable electricity

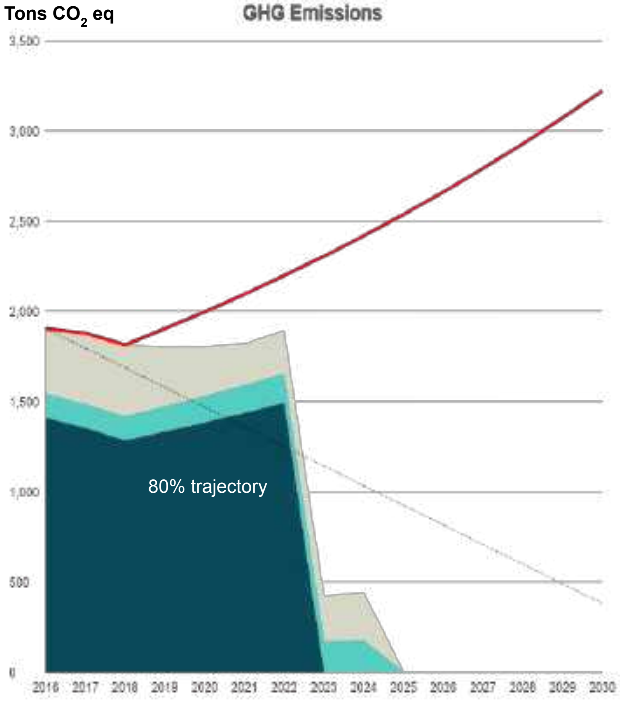
Scenario: 100% renewable electricity is purchased through Guarantees of Origin

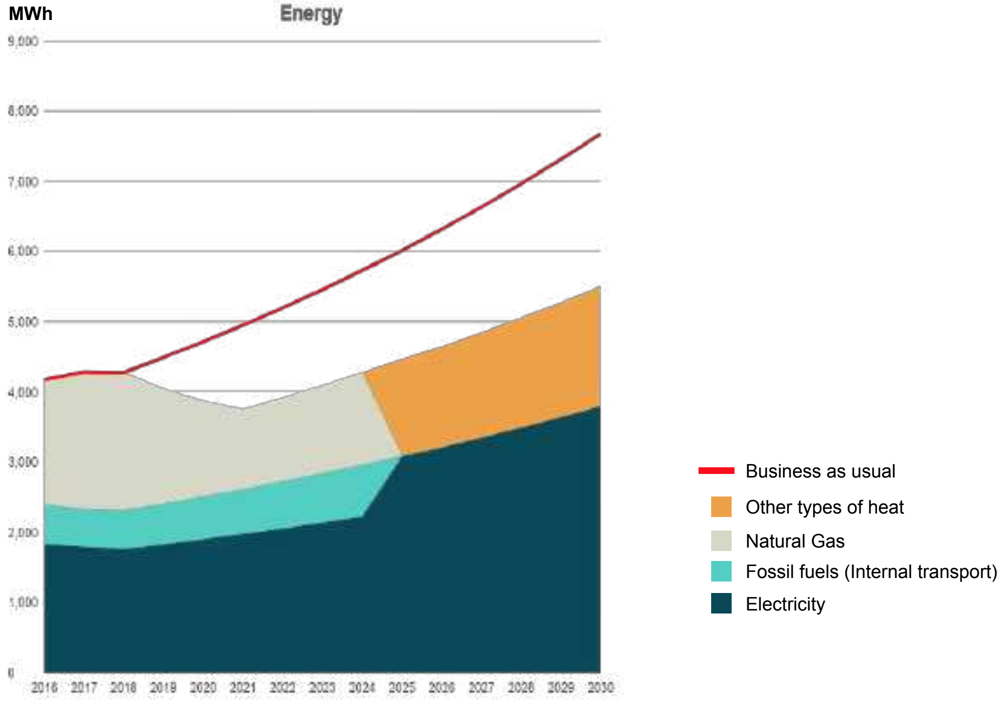


Scenario analysis: Climate simulation tool – Production example

4. Electrified internal transports

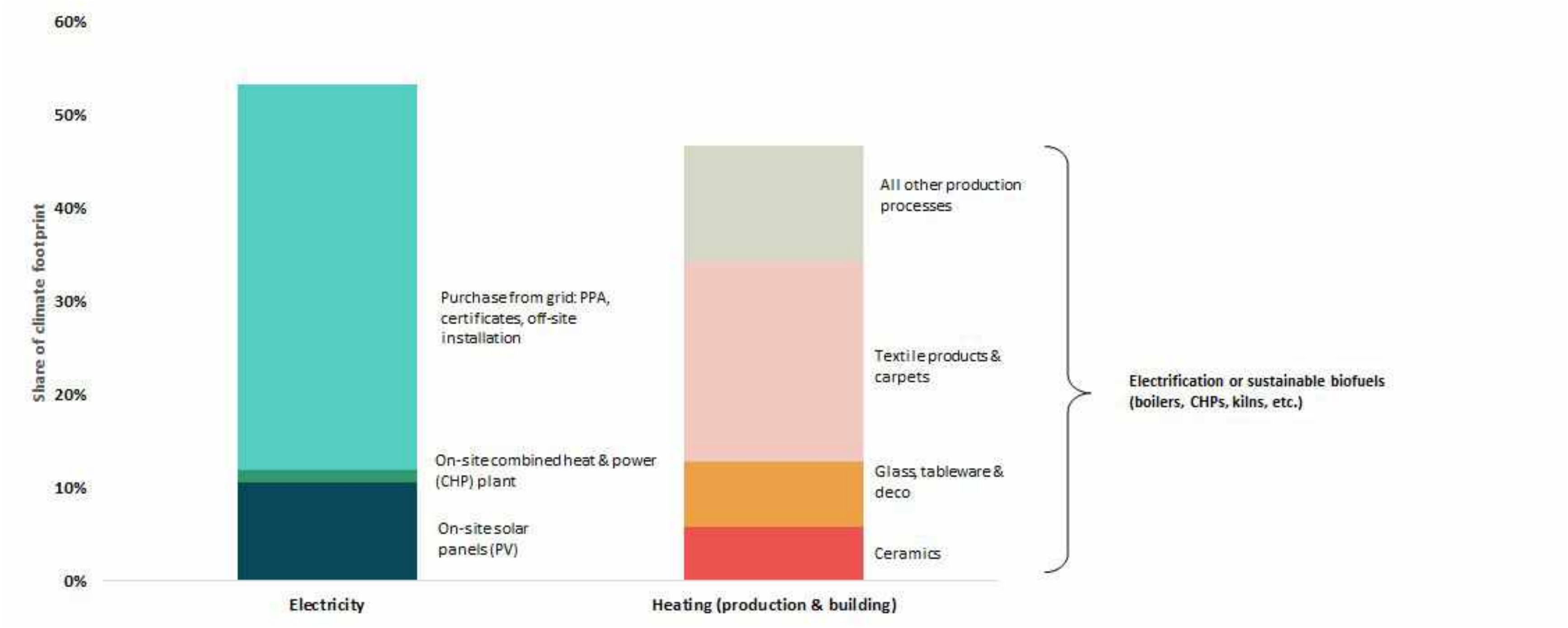
Scenario: All internal transports are electrified





Scenario analysis: Outcome

Production: Identifying main movements



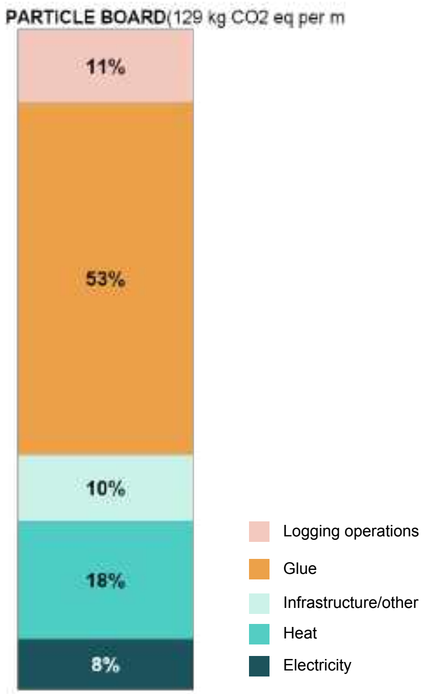
Scenario analysis: Outcome

Playing LEGO® with a material footprint

Recycled content

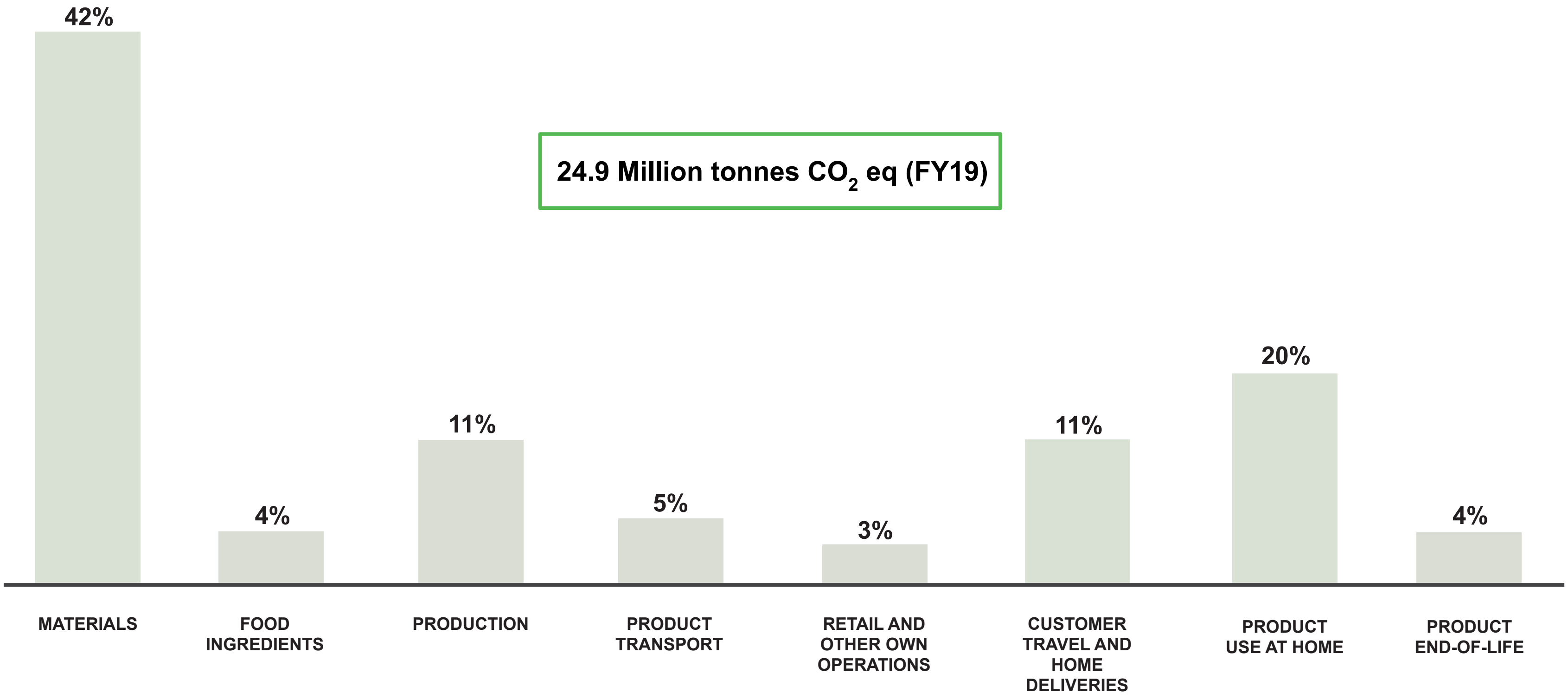
Sustainable bio-based glue
(Note! 6% of total IKEA climate footprint)

100% renewable energy at board factories



IKEA climate footprint

Goals set for totality and per part



Becoming climate positive

What remains?

1. Finalising portfolio of projects and actions to reach goals for 2025 and 2030

2. Methodology for carbon removals and storage in forestry, agriculture and products (Project with GHG Protocol)

3. Enable automatized performance follow-up & scenario analysis throughout business (today manual work)

Needed movements

Uniting under a 1.5°C target

Making sustainability affordable

Making climate action tangible and easy to understand

Not sacrificing climate adaptation & resilience for climate mitigation


HUVUDROLL
Plant balls
(4% of climate footprint
compared to traditional
meat balls)
Thank you! Questions?

Thank you for attending!

Feel free to contact us

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For registration and more info about the **Nordic Platform for Mobilising Climate Finance**, please see here

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