

How do you stay climate competitive?

Companies should expect specific demands on climate action from large customers

BØRSEN.

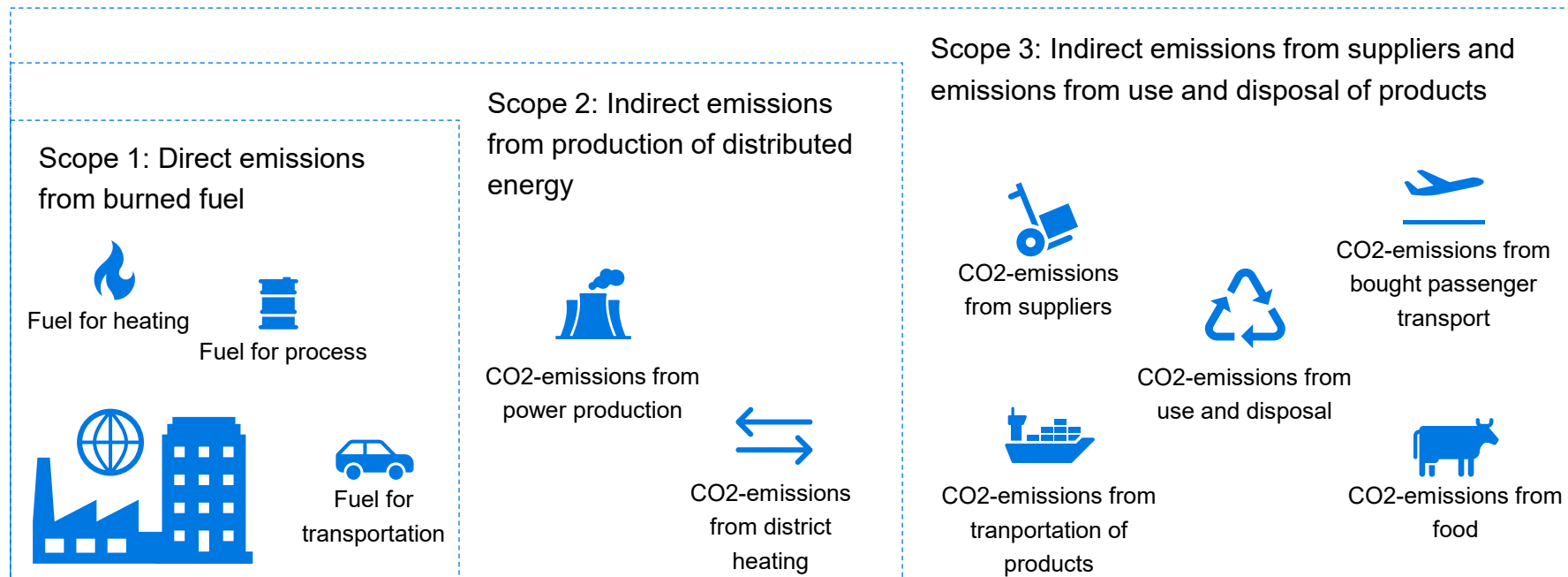
Coop får godkendt kæmpe klimaplan: Nu skal ny chef ændre 98 pct af forretningen



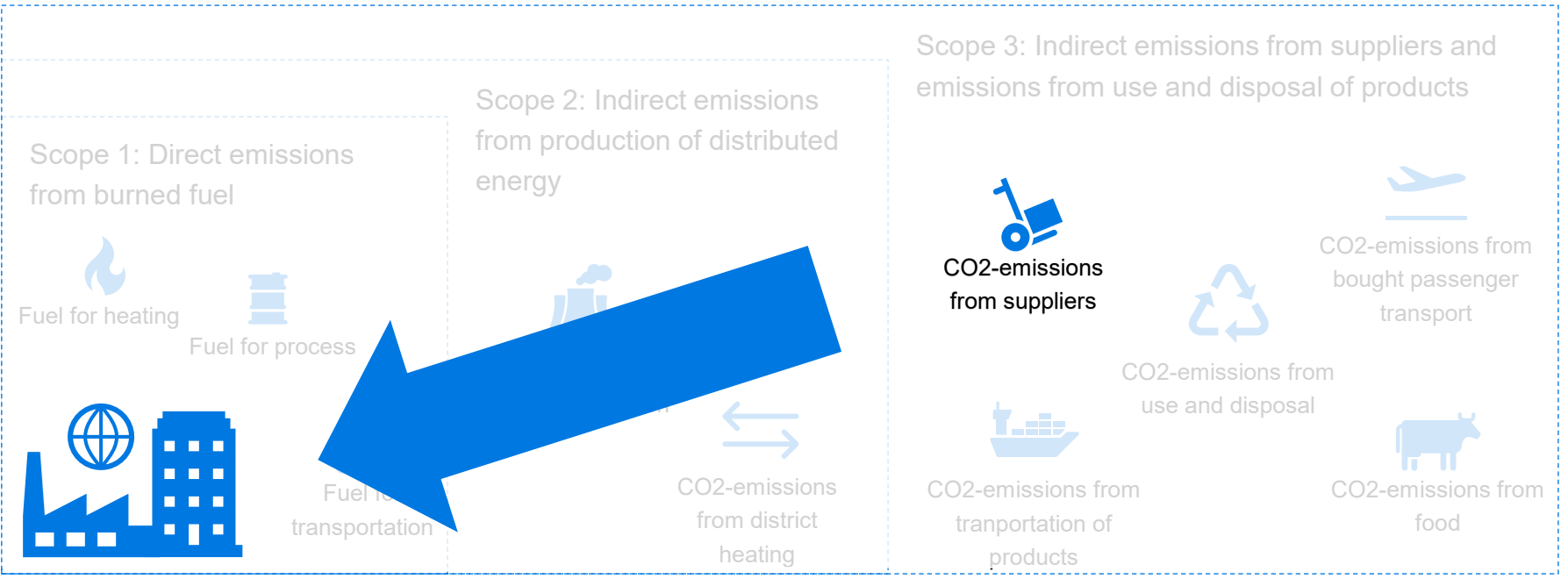
November 21st, 2021

Coops nye klimachef, Jonas Engberg, skal skære 1 mio. ton af den årlige CO2-belastning fra koncernens indkøb. Det har han otte år til, og hvis det lykkes, bidrager fødevarekæmpen til Paris-aftalen, bekræfter stor klimaorganisation

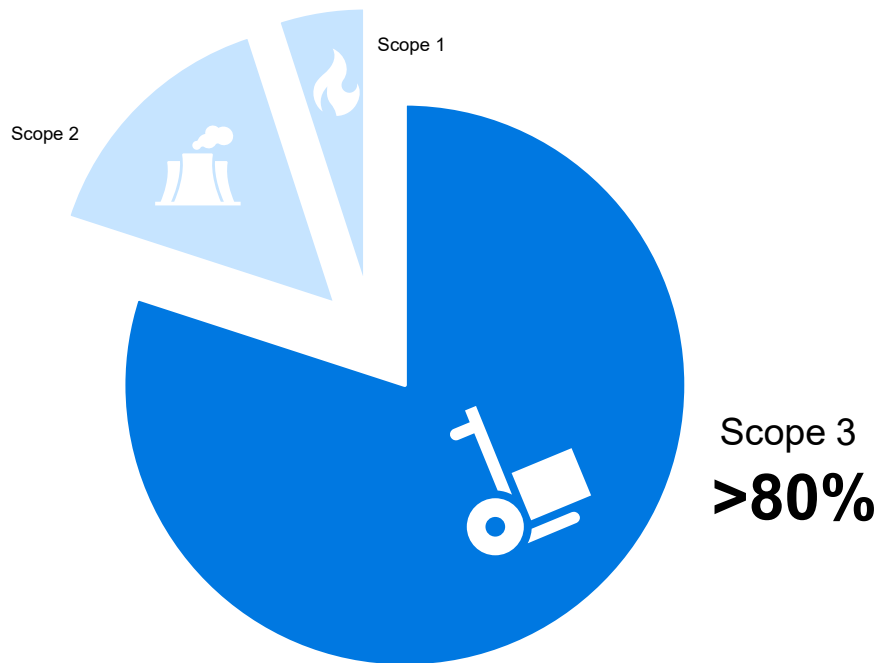
Demands are due to the CO₂ -emissions of suppliers being included in the large customers own CO₂ -accounting



Thereby, many companies will have reduction plans imposed for them to be suppliers of the large companies



The reason this is important to companies, is that more than 80% of the companies CO₂ -emissions often is in Scope 3



*Viegand Maagøe has worked with more than 100 companies, and for the largest part **Scope 3** has represented 90% or more of the emissions!*

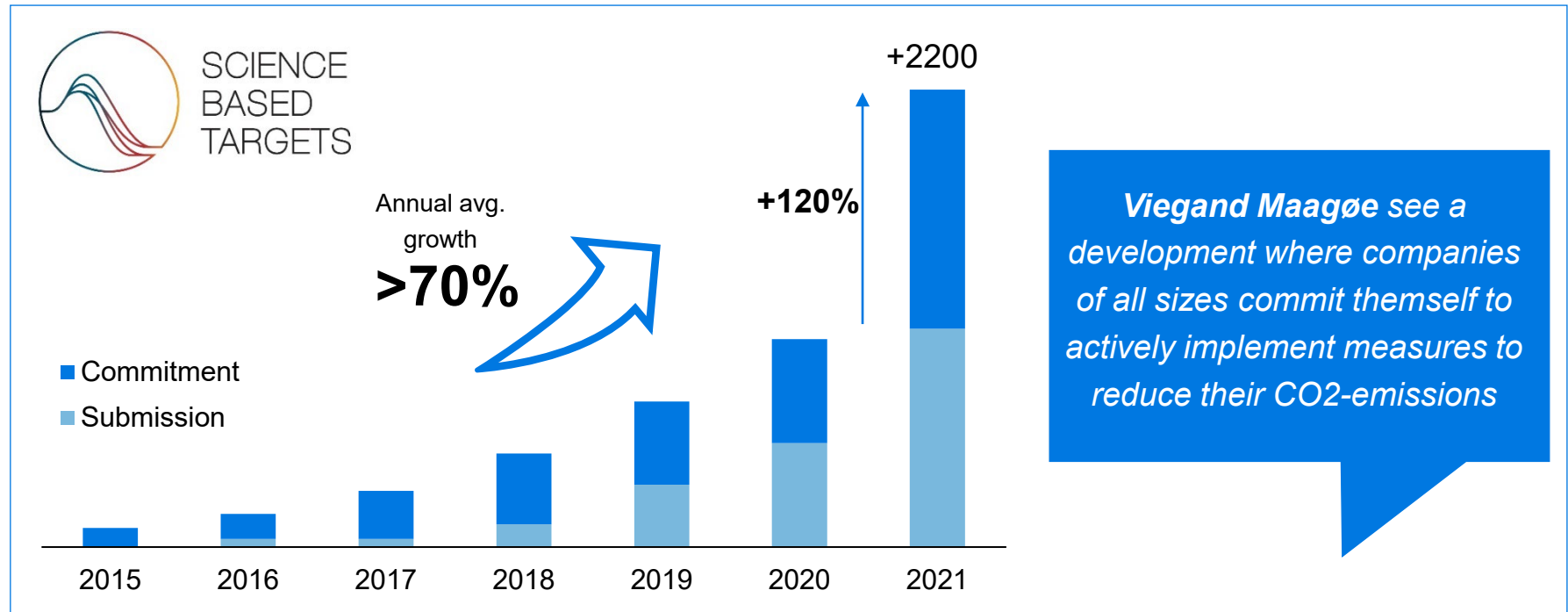
Large Danish companies have committed to CO2 -reductions in accordance to the Paris Agreement and Science Based Targets

And they thereby commit to work with CO2-emissions in their supply chain



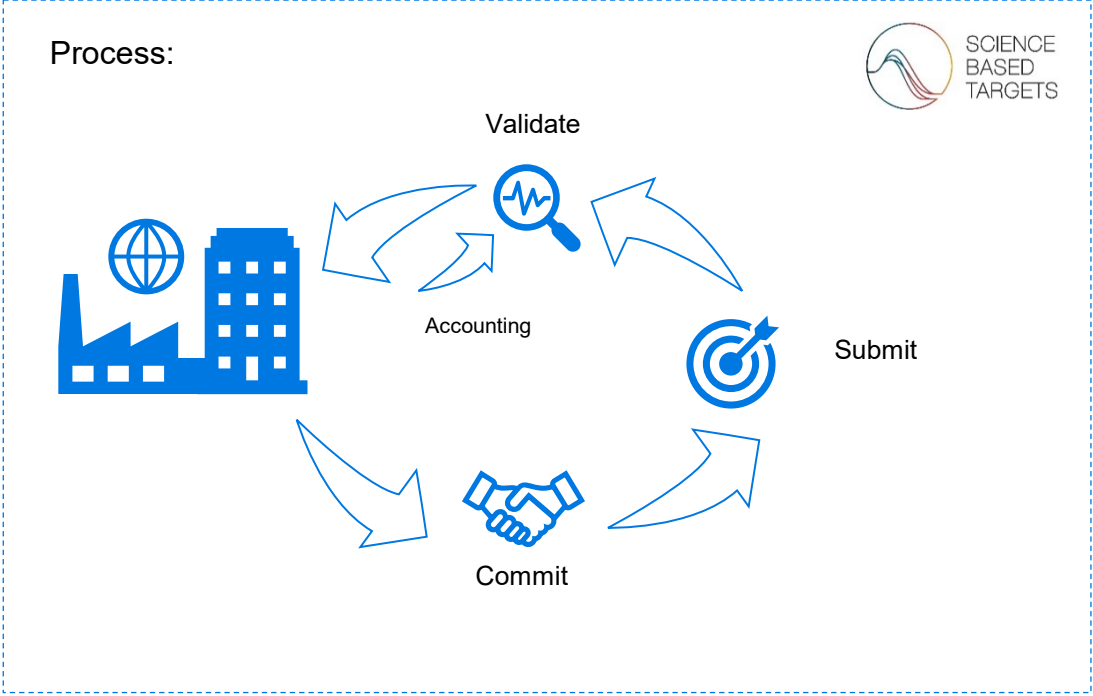
Science Based Targets initiative is growing exponentially than doubled the last year

– it more



The companies validate reduction plans according to the Paris Agreement through Science Based Targets initiative (SBTi)

Partners:



Because of this, the large industry companies choose to have specific targets of supplier requirements



Coop amba commits to reduce absolute **scope 1 and 2 GHG emissions 91%** by 2030 from a 2018 base year. Coop Amba also commits to reduce **scope 3 GHG emissions 24.6% per unit revenue DKK** by 2030 from a 2019 base year, translating to a 16% reduction in absolute emissions. Coop Amba commits to reduce **absolute scope 3 GHG emissions covering use of sold products from fossil fuels 27.5%** by 2030 from a 2019 base year.



Arla Foods commits to reduce **absolute scope 1 and 2 GHG emissions 63%** by 2030 from a 2015 base year.* Arla Foods also commits to reduce **scope 3 GHG emissions 30% per tonne of standardised raw milk and whey intaken** by 2030 from a 2015 base year. *The target boundary includes biogenic emissions and removals from bioenergy feedstocks.

The climate agenda has become a global Mega Trend and is being supported by consumers and politicians

Mega Trend:
Climate and sustainability



Science Based
Targets initiative



EU
Taxonomy for
green investments



Denmark 70%
reduction target



Non-Financial
Reporting Directive

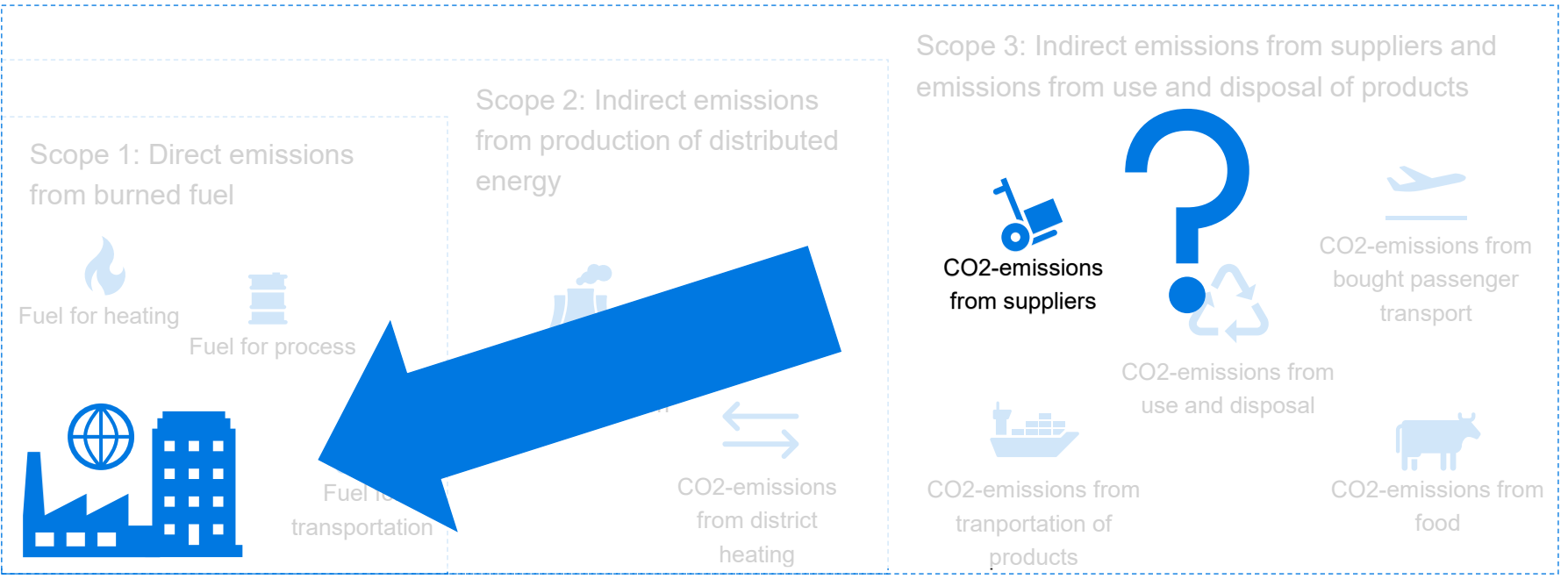


UNs 17 sustainable
development goals



Green Building
Council Denmark

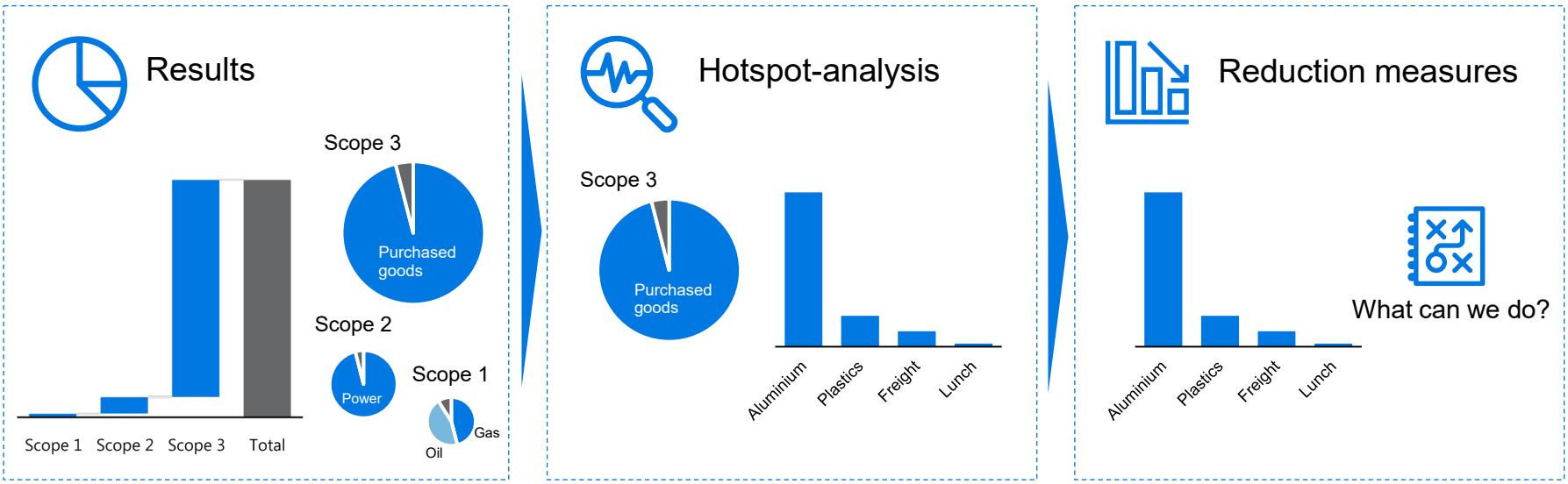
Suppliers should also look into their own CO2 footprint to stay competitive – but how?



Climate accounting is based on the GHG protocol and will provide an overview of the company's emissions



Results are used in a hotspot - analysis to reach specific reduction measurements



Reduction measures can focus on efficiency, electrification, conversion, procurement and re - design of products



Efficiency

*Processes
Buildings
Lighting*

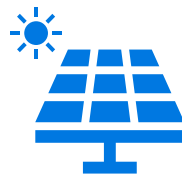
Scope 1+2



Electrification

*Processes
Transport
Heating*

Scope 1+2



Convert

*District heating
PV/wind/Biogas
PPAs*

Scope 1+2



Procurement

*Raw materials
Freight
Travel*

Scope 3



Re-design

*Less material
Substitute materiale*

Scope 3

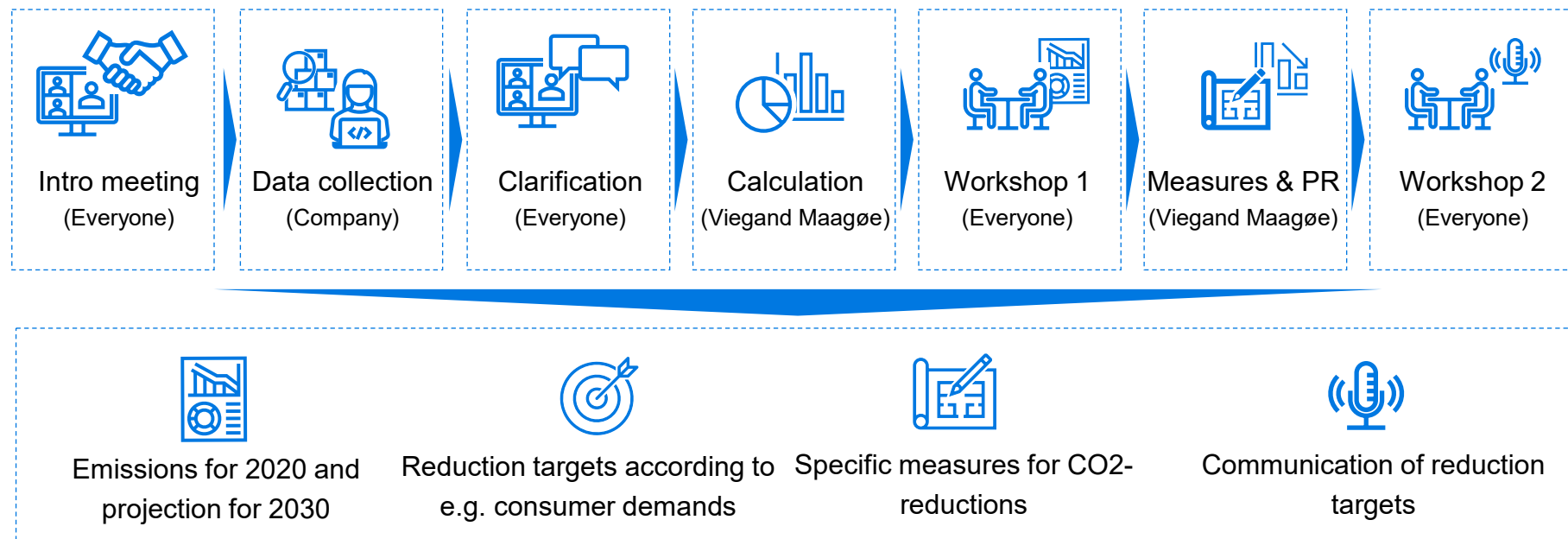
Here the starting point in cradle-to-gate - there are of course also measures that can work on downstream (use of sold products).

There are several support schemes for companies that want support for green business transformations – one of them is SMV:Grøn

SMV:Grøn is a new support scheme for green conversion for SMEs. SMV:Grøn is one of four schemes with a total of DKK 600 millions



A project that can get support is Viegand Maagøe “Climate Ready”-program – an intensive 6 week program with concrete outcome



Thank you for your time!
