



THE FOOD
INDUSTRY
ASSOCIATION

Sustainability Conversations

Supplier Leadership on Climate Transition

Briefing Presented for FMI and NRF

Wednesday, June 23, 2021

1:00 p.m. ET / 12:00 p.m. CT



Before we get started...



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- This presentation is for educational purposes.
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Supporting Endorsement Statements

FMI and Ceres

*“**Pre-competitive collaborations** like this are a critical component to industry progress toward science-based targets. Every company’s supply chain practices are important in the drive to reduce overall GHG emissions. Looking upstream and downstream to understand and address indirect Scope 3 emissions is important and urgent if we are to meet the sustainability imperatives of our time.”*

– Marjorie DePuy, Senior Director, Supply Chain & Sustainability; FMI - the Food Industry Association



*“With leading companies increasingly setting science based targets, we see growing demand for **peer-to-peer learning** focused in particular on Scope 3 emissions in corporate supply chains. The challenge goes beyond motivating ambition that cascades through supplier tiers; meaningful impact will depend on building suppliers' capacity to act.”*

- *John Weiss, our Senior Director for the Ceres Company Network*



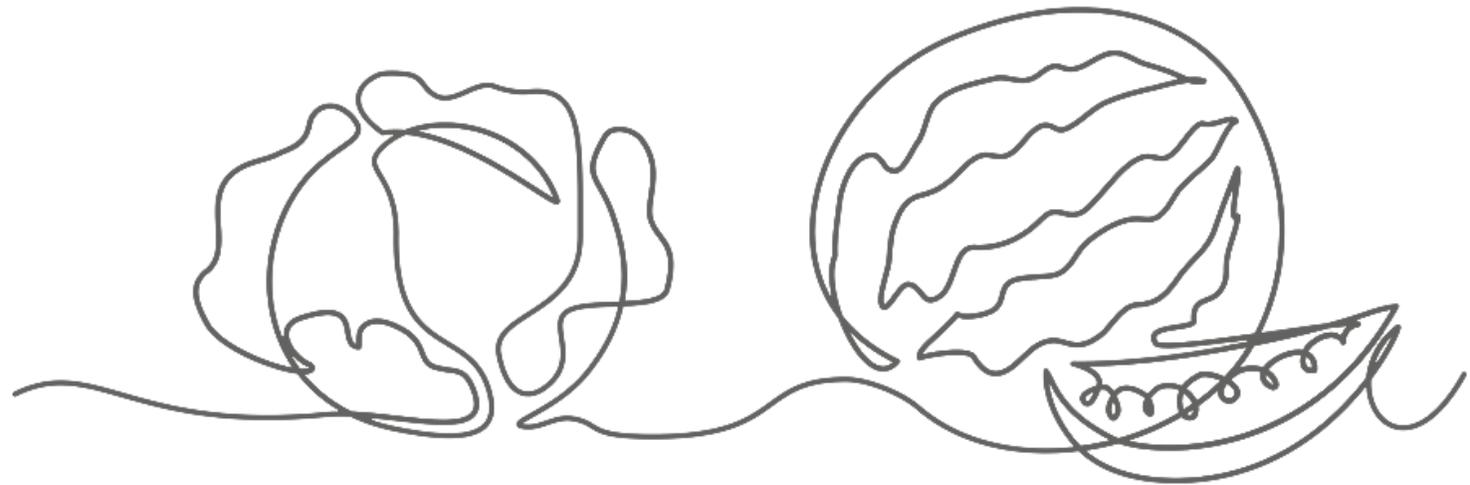
Leading Today's Briefing



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Sustainability | Guidehouse



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Guidehouse





June 2021 BRIEFING for FMI/NRF



On the Call Today



Nicole DelSasso
LoCT Program
Manager



Britt Harter
Leading Partner,
Sustainability



Vincent Hoen
LoCT Strategy
Director



Matt Banks
S-LoCT Coordination
Director

Why Supplier LoCT: Decarbonizing Food and Beverage Supply Chain is Critical Leadership

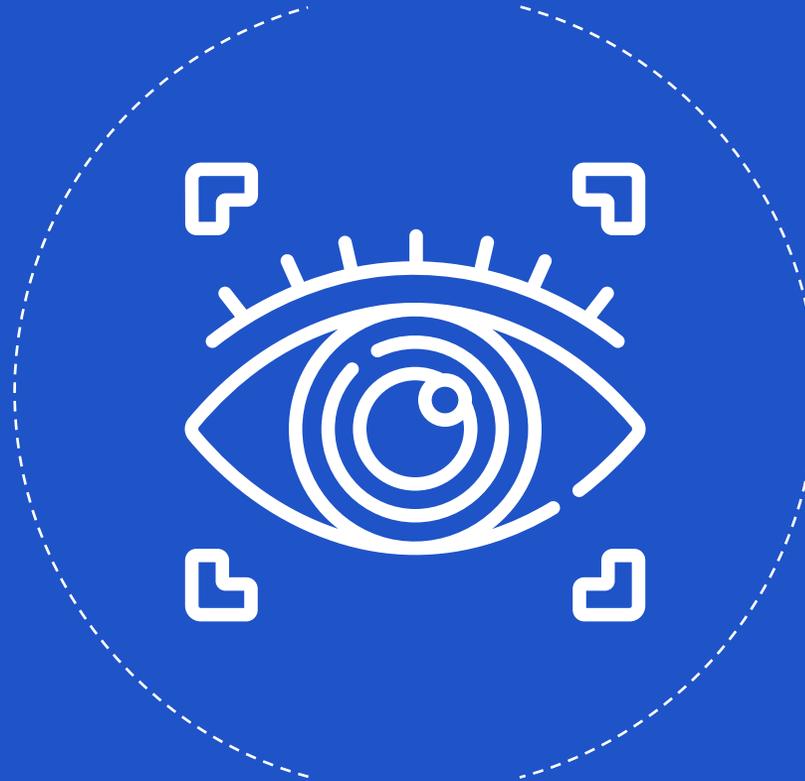
Our industry and its supply chain are critical to the future of the climate
Just a few supply chains account for more than 50% of global emissions. Food, fast-moving consumer goods, freight and a few others account for more than half of all global greenhouse gas emissions

And our supply chains are critical to our own science based targets this decade



Vision

**Climate
conscious
supply chains &
Scope 3
science-based
target results**



**Advance supplier's
climate maturity,
abatement,
responsibility, and
match or exceed
brand climate plans
by 2025**

Why Supplier LoCT: A unique solution to a difficult challenge

- Anchor Brands stood up to found this effort
- They are seeing individual value
- All returning for Season 2



- Stakeholders have validated the uniqueness of LoCT
- It solves a huge problem in a new, pre-competitive way
- Aligned with climate initiatives - SBTi, RE100, CDP, 1.5C, Net Zero



- The thesis of LoCT has proven
- Suppliers are enthusiastic, learning and progressing
- Personal engagement makes the difference

120 suppliers and growing

- Media recognize this is a unique, powerful collaboration.
- They have supported and elevated the brand



What is S-LoCT:

Past, Present, and Vision for the Future

-  What to action in the coming month
-  Today
-  Past Actions

Season 2

Enroll and educate new suppliers to increase impact

Concept Development

Partnered with brands to create a specific LOCT program based on real brand knowledge and challenges



Roundtable

Brands, Stakeholders, and experts collaborated to map supply chains and envision the opportunities

Commitment

Brands signed up to the program and signed contracts

Season 1

Enrolled suppliers and actively educated them

Today - Commitment

Brands commit to participation and expansion

Future

Scale to deliver the vision of zero emissions supply chains, including tangible progress and action

- Collective action on renewable energy
- Platform to connect to service providers
- Clean fleets to drive decarbonization

What is S-LoCT: pillars

Prioritized information transfer, education, recognition, and collaborative dialogue to achieve emissions reductions

**ONLINE
REGISTRATION
PAGE**



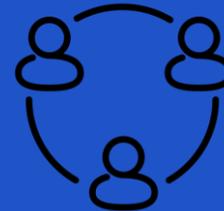
**KNOWLEDGE
SEMINARS FOR
SUPPLIERS &
HELP DESK
FUNCTION**



**MATURITY
SCORING AND
RECOGNITION
BADGING**



**MONTHLY
COLLABORATION
DIALOGUE FOR
BRANDS**



**COMMUNICATE
TO EXTERNAL
STAKEHOLDERS**



The S-LoCT Experience

LEARN

Each seminar provides suppliers with foundational knowledge of the topic from leading Guidehouse and NGO experts and methodology providers. Seminar topics are summarized for ease and comprehension.

RECEIVE

Enrolled participants receive resources and tools to help implement what you learn from the seminars.

SHARE

The last 15 minutes of each seminar is dedicated time for you to ask questions of the experts. The last knowledge seminar is a help session, dedicated specifically to questions and collaboration.

PRACTICE

Registrants will complete assignments after each seminar to apply the knowledge you learn.



S-LoCT Recognition Stages



COMMITTING

GHG Footprint: Committed to developing a scope 1 and 2 GHG footprint; or have scope 1 and 2 footprint, but not a scope 3 footprint

Target: Committed to evaluating a science-based target or RE100 goal



ACTIVATING

GHG Footprint: Have scope 1, 2, and 3 footprint

Target: Same as Enrolled



IMPLEMENTING

GHG Footprint: Same as Bronze

Target: Committed to setting a science-based target

Abatement: Program in place to reduce emissions



LEADING

GHG Footprint: Same as Bronze

Target: Have approved science-based target

Abatement: Same as Silver

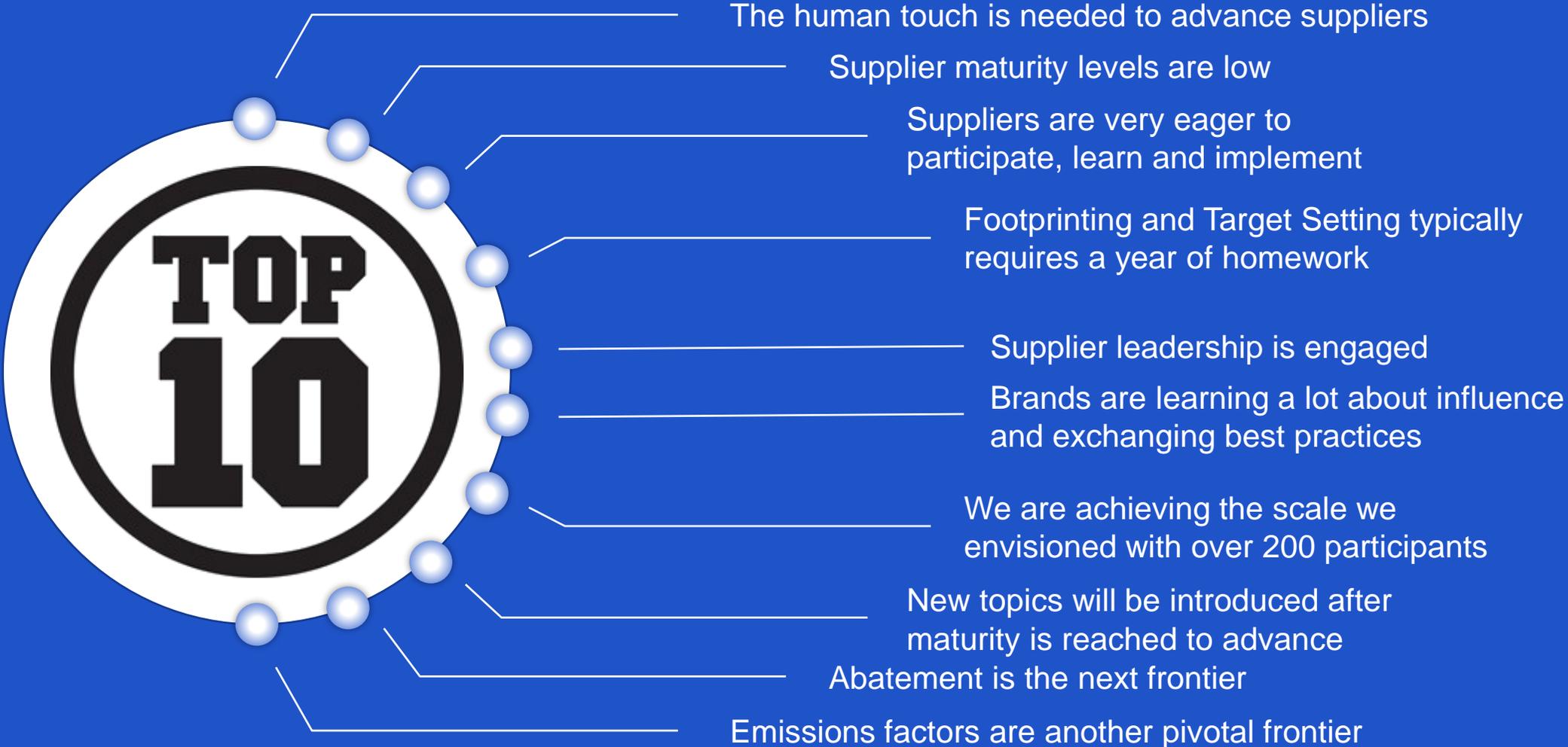
Disclosure: Provides category level emissions data

Season 2: Supplier 1-Hour Seminar Tracks

COURSE	TOPIC	OCT	NOV	DEC	JAN	FEB	MAR
0	Introduction to S-LoCT	Welcome to S-LoCT – what to expect	<i>Course size: Up to 40 suppliers per course, no more than 5 representatives per supplier</i>				
1	Scope 1&2 GHG Footprinting		Introduction to GHG footprinting	Data required	How to calculate your footprint	Tracking progress	Q&A & discussion
2	Scope 3 GHG Footprinting		Introduction to scope 3 footprinting	Data required	How to calculate your footprint	Tracking progress	Q&A & discussion
3	Target Setting	<i>Pre-requisites: Suppliers must have a scope 1, 2 and 3 footprint before taking Target Setting course</i>	Introduction to target setting	Evaluating decarb potential and peer targets	Internal buy-in and external recognition	Tracking progress	Q&A & discussion

Lessons Learned/Creating Positive Momentum

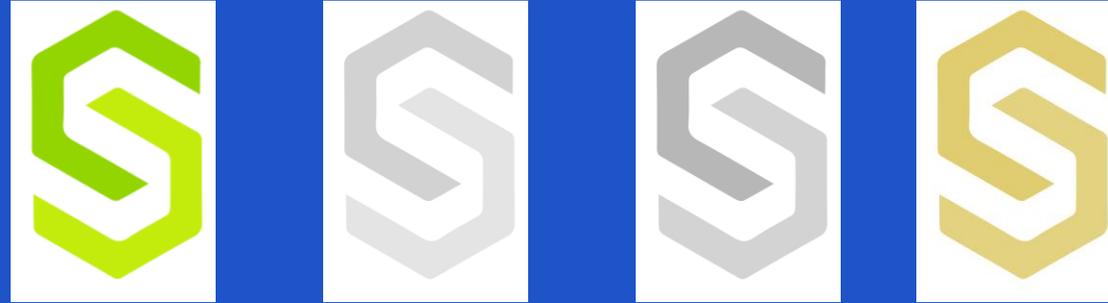
Supplier moving the needle.. 95% engagement



CALL TO ACTION

**JOIN THE CONSORTIUM AND
MOBILIZE SUPPLIERS ON
CLIMATE FOR Q4/FALL 2021,
SEASON 2**

Join the consortium



Let's move the needle for cumulative Scope 3 faster by acting together

Vision: 1000s of suppliers collaborating to make tangible progress to cut GHG emissions at scale

Participation fee season 2: \$50,000 USD per season for up to 40 suppliers

Sustainability at its best is a partnership..

Our proven approach to voluntary supplier engagement on climate yield results faster and with better effect than internal efforts alone, through applied behavior change science that recognizes and reward progress





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THANK YOU!

