

2024 IMPACT REPORT

ACCELERATING CLIMATE ACTION, CELEBRATING IMPACT



SUPPLIER LEADERSHIP
ON CLIMATE TRANSITION

powered by  Guidehouse

CONTENTS

A Letter from
Mars Chief
Procurement
and Sustainability
Officer,
Barry Parkin

02

Overview
and History

03

Supplier Progress

13

The Learning
Journey

15

What's Next

23



IMPACT

The engine that drives Supplier LOCT is the collaboration and commitment of our partners. We invited Mars, a founding member, to introduce our first annual report and share the impact of the program on their value chain greenhouse gas reduction goals.

AT MARS, WE BELIEVE IN ACTING WITH PURPOSE TO ACHIEVE THE WORLD WE WANT TOMORROW.

It starts with how we do business today. And very often, for a company like Mars, it means acting in our extended value chain.

By embedding our climate commitments into every element of our work, from governance to where we source our materials, Mars has always followed science, and science says we must cut emissions across our full value chain by 50% by 2030.

We recently launched our Net Zero Roadmap, a decisive and open-sourced action plan for achieving exactly that, and a commitment, reviewed by the Science-Based Targets Initiative, outlining how from a 2015 baseline, we can reach Net Zero by 2050 across Scopes 1,2 and 3.

To achieve these ambitious goals, our suppliers needed us to be good partners as they embarked on the road to reducing their own greenhouse gas (GHG) emissions. We saw the power of what pre-competitive collaboration can do, and joined forces with Guidehouse and other iconic companies to help suppliers develop climate action together. In response, we created Supplier Leadership on Climate Transition (Supplier LOCT), which has grown to over 22 sponsor companies worldwide.

To date, Supplier LOCT has guided nearly one thousand suppliers on how to measure, monitor and reduce emissions through expert-led workshops and mentoring. We quickly moved beyond the initial focus of supporting suppliers in the food and beverage industry to inviting suppliers across many sectors of our economy to participate.

Through our partnerships, thousands more suppliers are now poised to begin their climate journey and the potential to scale this further across more of our peers, more of their suppliers and more of our suppliers' suppliers is huge.

This first annual Supplier LOCT Impact Report demonstrates the exponential impact our collaborative commitment to educating and mentoring suppliers is having on supply chains across the globe.

Supplier LOCT is clear on what needs to happen, and our door is open for those committed to accelerating climate action throughout their value chain. Join us to drive climate action.

Sincerely,

Barry Parkin
Chief Procurement & Sustainability Officer
Mars, Incorporated

OVERVIEW AND HISTORY

REDUCING SUPPLY CHAIN GHG EMISSIONS TOGETHER

The way we engage with suppliers is critical to our ability to achieve GHG emissions reductions. We can't deliver on our goals unless suppliers are part of the emissions reduction equation. Supplier LOCT is a venue for companies to come together in a pre-competitive environment to tackle the challenges of supply chain emissions. This collaboration gives sustainability leaders the opportunity to provide actionable climate training for their value chain partners.

Supplier LOCT provides an online learning environment to educate supply chain companies on how to reduce their carbon emissions. We also created a space for partners to share best practices for supplier engagement, methodologies for calculating emissions, and experiences with various platforms and resources for GHG data management and reporting.

Supplier LOCT partners represent many industries and as we continue to grow, the number of shared suppliers increases. Participating suppliers often have numerous customers within the Supplier LOCT family and beyond. Every new supplier we sponsor has the potential to contribute to the emission reduction goals of multiple brands.

Our combined effort allows us to support a larger number of suppliers and ultimately have a greater impact. We're proud to be able to expand our impact through collaboration.

Supplier LOCT partners are companies that are taking climate action seriously. They have committed to big sustainability goals and are deeply involved in making sure their suppliers have the tools they need to reach their emissions reduction objectives. This collaboration couldn't work without dedicated leadership in each organization. Throughout this report, we highlight a few stories of how Supplier LOCT partners have empowered their suppliers to make big moves in their climate journeys.



Note: Some companies wish to remain anonymous.



22+

PARTNERS FROM DIVERSE INDUSTRIES



850+

SUPPLIER COMPANIES ACROSS **68 COUNTRIES**



150+

SUPPLIERS HAVE SUBMITTED A TARGET, COMMITTED TO SETTING A TARGET, OR HAVE AN APPROVED TARGET THROUGH SBTi SINCE JOINING



476

BADGES AWARDED TO OVER **300 SUPPLIER ORGANIZATIONS**



96%

OF SUPPLIERS SAY THE PROGRAM HAS ACCELERATED THEIR CLIMATE PROGRESS



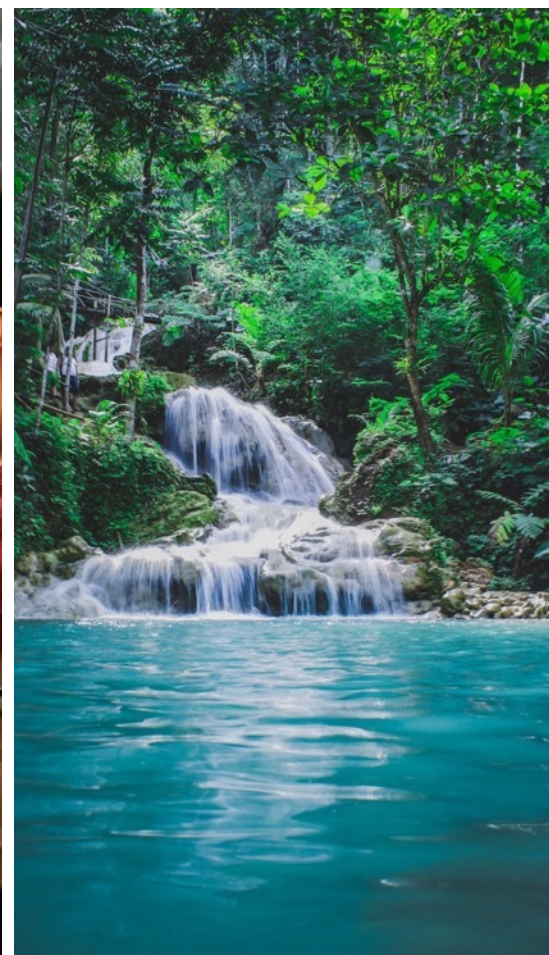
3k+

INDIVIDUALS ARE LEARNING HOW TO MAKE CLIMATE PROGRESS, AND ACTING ON IT

OVERVIEW AND HISTORY

BACKGROUND

From the beginning, we were never going to play small. When four Chief Sustainability Officers (CSOs) from the leading companies in the world met to create accessible supply chain decarbonization education we knew there was a big opportunity to develop a program to support meaningful impact. It was an opportunity to change global supply chain engagement.



WE HELPED CHANGE HOW COMPANIES APPROACH CLIMATE GOALS AND SUPPLIER ENGAGEMENT.

Supplier LOCT has grown from grassroots discussions into global conversations, expanding to partnerships with 22 international companies and industry associations (partners), with brands and products spanning almost every industry.

WE CONTINUE TO EXPAND.

Supplier LOCT is an accelerator. Our partners sponsor their suppliers in education that changes the way they think and moves them forward to be part of the global climate solution.

The only way changes on a scale this big are possible is through collaboration.

WE ARE MAKING AN IMPACT.

Supplier LOCT is at the forefront of addressing one of the top challenges in climate action today – Scope 3. We're continually collaborating with sustainability leaders who are dedicated to achieving science-based targets, making bold decisions to change the way they

work, and developing products that have a lower carbon footprint.

WE'RE HERE TO CELEBRATE!

In the pages that follow, you'll read about the progress our partners have made, and how their work is making a difference for the people, places, and markets they influence. The work they're doing is impressive and innovative, and we hope the rest of the world is watching.

These are the leading companies positioned to drive the supply chain climate transformation that is needed.

You will also hear stories from suppliers. These narratives exemplify how suppliers are creating change within their organizations —from building sustainability teams to shifting entrenched business norms, to creating new products and services with smaller footprints.

WE WILL DO EVEN MORE.

As the world changes and targets rapidly approach, we can't afford to stop. You'll also read about our plans, and how Supplier LOCT will intentionally expand with more courses, collaborations, and climate impact.

OVERVIEW AND HISTORY

HOW WE WORK

Supplier LOCT invites companies dedicated to climate action to join the collaborative. This includes companies and organizations committed to greenhouse gas (GHG) emissions reductions.

Supplier LOCT partners invite their suppliers to enroll in a live, online climate school managed by global consultancy, Guidehouse. The firm's expert instructors lead suppliers through a series of seminars that enable them to measure and ultimately reduce their carbon emissions. The coursework guides suppliers as they develop a GHG program, including a footprint, a science-based target, and an abatement plan. The final course teaches suppliers how to disclose to CDP and other stakeholders.

Suppliers enroll each Spring and Fall season, taking classes once a month for six months, accessing materials on a custom learning platform, completing assignments, asking questions in discussion forums, and attending office hours for additional help.

Suppliers receive personalized instruction throughout each course and return season after season to take additional courses, advancing their knowledge. After each course they complete, suppliers receive a course completion certificate to showcase their accomplishment. But their recognition doesn't stop there. As suppliers achieve key climate milestones, they're awarded a badge, which symbolizes their growth and acquired expertise.

Supplier LOCT partners meet monthly to innovate and adapt the program to reflect evolving industry updates and innovative approaches. The partners also share best practices for engaging with their suppliers and strategies to collectively expand impact.

The collaborative gives suppliers the education they need to gain confidence and competence in reaching sustainability goals. The courses allow them to teach others in their organization. In tandem, partners are also tackling their Scope 3 emissions and reducing their climate impacts.



By bringing people, companies, and industries together, Supplier LOCT accelerates climate action through collaboration and education.

OVERVIEW AND HISTORY

SUPPLIERS AT-A-GLANCE

As of Fall 2023, over 850 suppliers representing 65 countries have participated in Supplier LOCT. More than 50% of the suppliers are located outside of the United States. The courses are tailored to fit the needs of diverse businesses including those with sustainability teams and those who are just starting their climate journey.

3,452

UNIQUE LEARNERS

850+

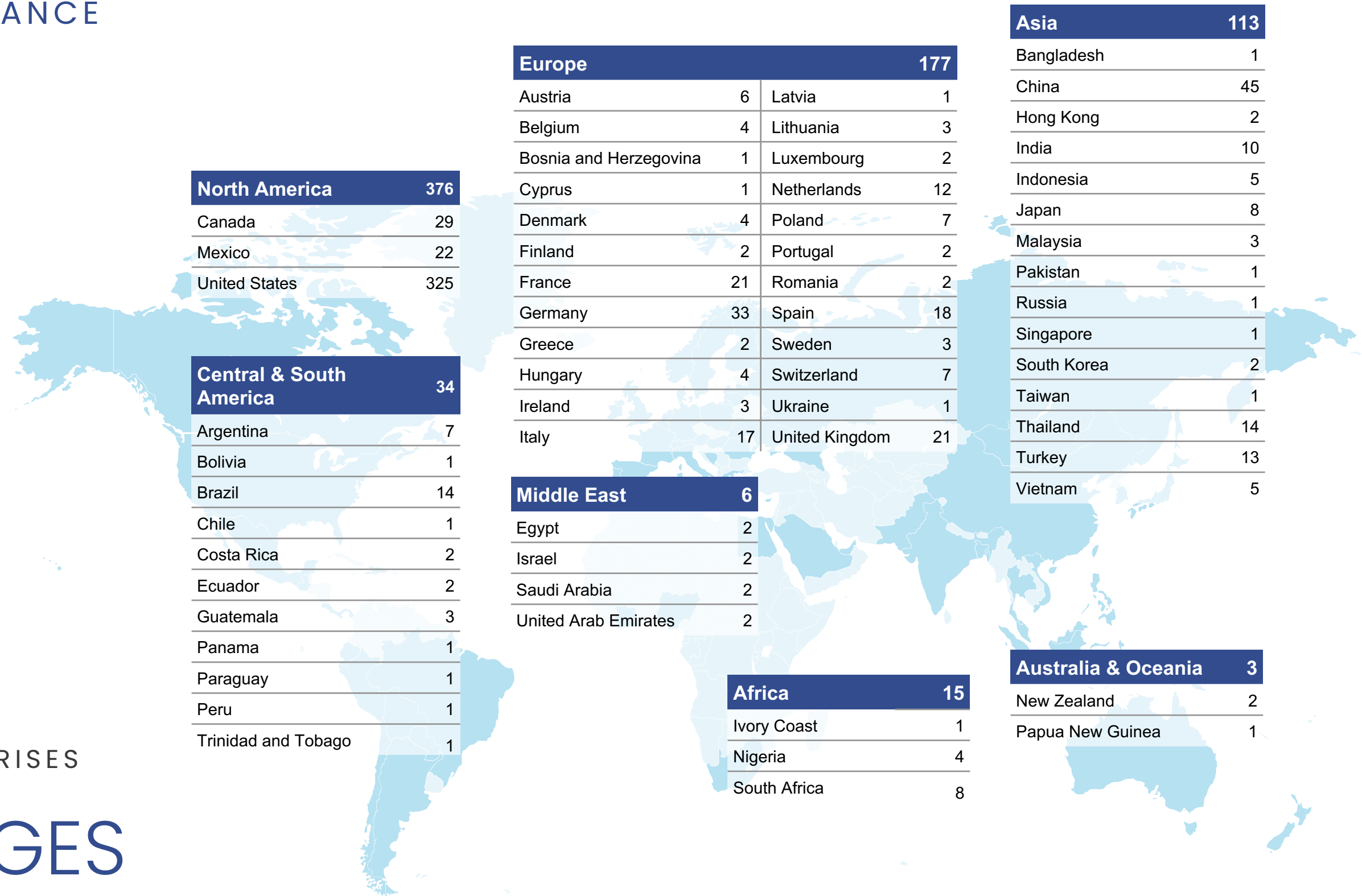
SUPPLIERS

23%

SMALL MEDIUM ENTERPRISES

4 LANGUAGES

ENGLISH, FRENCH, MANDARIN, SPANISH



Note: Geographic information was not collected during the first season, so the numbers do not add to the total number of suppliers enrolled in the program.

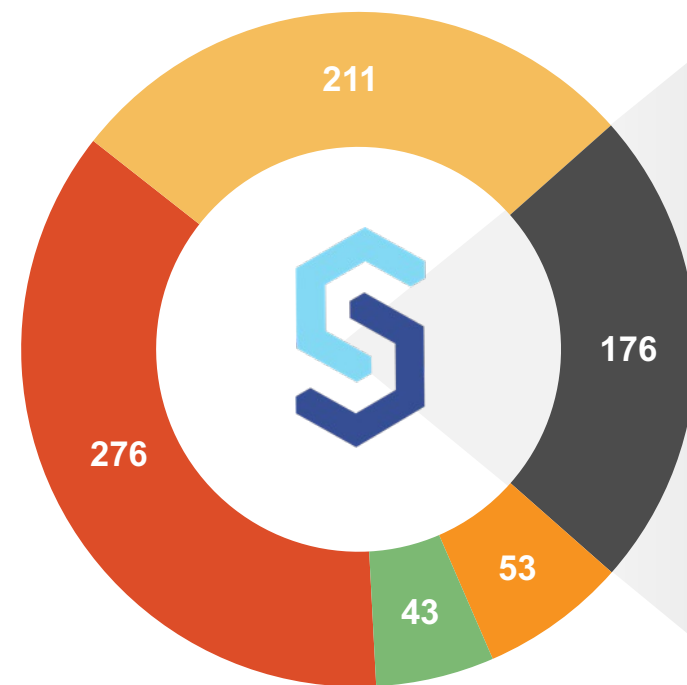
OVERVIEW AND HISTORY

PARTICIPATING SUPPLIERS BY INDUSTRY

Suppliers increasingly recognize the urgency in being part of the climate solution. Through Supplier LOCT, participants become experts within their own organizations on all the steps necessary to realize meaningful carbon emissions reduction. The Supplier LOCT program accepts all suppliers, regardless of their experience and expertise on climate topics, meeting them where they are.

The courses are tailored to fit the needs of all industry types and leading experts help suppliers with their unique needs. The program has grown to include suppliers from a breadth of industries including, food & beverage, apparel, media, and healthcare. Supplier LOCT continues to welcome suppliers from any sector – **climate action is critical across the supply chain.**

- Food & beverage
- Materials
- Other
- Capital goods
- Consumer durables & apparel



Who are the Other suppliers	Count
Food & staples retailing	36
Household & personal products	35
Transportation	28
Media & entertainment	19
Commercial & professional services	15
Software & services	12
Retailing	8
Pharmaceuticals, biotechnology & life sciences	6
Consumer services	6
Health care equipment & services	5
Real estate	2
Diversified financials	1
Energy	1
Insurance	1
Telecommunication services	1

Note: The total number of suppliers listed in each product category sums to 759, which is 100 less than the current number of participating suppliers. The reported product categories are lower than the number of suppliers because this information was not collected at the inception of Supplier LOCT, but it is now collected each season.



PARTNER STORY

ATLANTIC PACKAGING

“Having some of our largest suppliers enrolled in Supplier LOCT and seeing the progress they've made toward calculating their emissions makes me more confident that we'll reach our goal.”

**CAROLINE
JAMES DELOACH**
Director of Sustainability



Like many companies, most of our emissions come from Scope 3, especially purchased goods and services. We know that if we are going to meet our emissions goals, we need our suppliers to take aggressive climate action too.

As a small team, we don't have the capacity to train all our suppliers about emissions and how to reduce them - cue Supplier LOCT. Supplier LOCT is paramount to our success because suppliers learn everything they need to know to reduce emissions.

Some of our suppliers in the program hadn't yet started their sustainability journey before we gave them the opportunity to engage with Supplier LOCT. They shared that they knew they had to address climate change but didn't know where to start. Since then, our suppliers

have told us that Supplier LOCT has been an approachable, structured way for them to get started.

One of our science-based targets includes a supplier engagement goal; we're aiming to have 55% of our suppliers create their own science-based target by 2027. Having some of our largest suppliers enrolled in Supplier LOCT and seeing the progress they've made toward calculating their emissions makes me more confident that we'll reach that goal.

I'm hopeful that as suppliers start identifying impactful ways to reduce their emissions, we might find ways to collaborate with them on climate action, such as by creating virtual power purchase agreements (VPPAs) or by reducing product-level emissions in the products we purchase from them in the future.



SUPPLIER STORY

CALLISONS

Translating data into insights, recognition of progress, and action.

“Supplier LOCT gave us structure and a common language, clarifying our understanding of our customers’ goals and needs so that we could respond to them appropriately.”

When Callisons joined Supplier LOCT, we had a lot of data but needed the right structure. We were unsure of what it takes to make a GHG reduction commitment. We didn’t fully understand what was expected or the process.

Supplier LOCT provided us with a structure to translate our data into Scope 1, 2, and 3 emissions footprints that made possible the pursuit of setting an SBTi target. The program gave us a common language for understanding our customers’ expectations around climate. The program also gave us a footing to discuss climate action and abatement projects with energy consultants, engineers, our leadership, and our customers.

The invitation to join Supplier LOCT couldn’t have come at a better time, setting us up for success as customers began to adopt and require scope-specific details.

Now, we are proud that our science-based target was recently approved by SBTi. This progress, wouldn’t have been feasible without the aid of the education and resources provided by Supplier LOCT.

From here, we’ll be taking steps to optimize our energy usage. We also plan to evaluate renewable energy options in line with the plan we developed through our Supplier LOCT Abatement course.

**KOLBI
CHRISTIANSON**
Process Engineer,
Sustainability Team Lead

Product(s) Supplied:
Mint oil, menthol crystals,
liquid flavors, dried and/or
powder flavors

LOCT Courses:

- Scope 1 & 2 Footprinting (Fall ‘21)
- Scope 3 Footprinting (Spring ‘22)
- Target Setting (Fall ‘22)
- Abatement (Spring ‘23)
- Disclosure (Fall ‘23)

 **Callisons**

Badges:



OVERVIEW AND HISTORY

OUR PATH TO ACCELERATION

Climate action takes collaboration. In the three years since its inception, Supplier LOCT has continuously evolved to meet today's changing landscape. We've added new courses including, Forest, Land and Agriculture (FLAG) and Disclosure. We've also expanded our global connectivity, adding translation of

the courses into Mandarin, French, and Spanish. With the constant shift into new standards, regulations, and reporting requirements, Supplier LOCT will continue to transform, enabling companies and suppliers to meet higher expectations in the marketplace. See our journey and growth below.

**SPRING 2021:
COURSES LAUNCH
ON EARTH DAY**

In the first season of Supplier LOCT, we introduced suppliers to GHG Footprinting concepts and science-based target setting.

**FALL 2021:
PARTICIPATION
DOUBLES**

To provide more pointed support to suppliers, we split the Footprinting course into Scope 1 & 2 and Scope 3.

**SPRING 2022:
LEARNING PLATFORM
LAUNCHES AND
ABATEMENT
COURSE ADDED**

Supplier LOCT's online learning platform provides a one-stop shop for suppliers, providing access to course content, submitting assignments, and communicating with our team. We added a course on Abatement to help suppliers develop a plan to reduce their emissions and meet their science-based target.

**FALL 2022:
DISCLOSURE
COURSE ADDED**

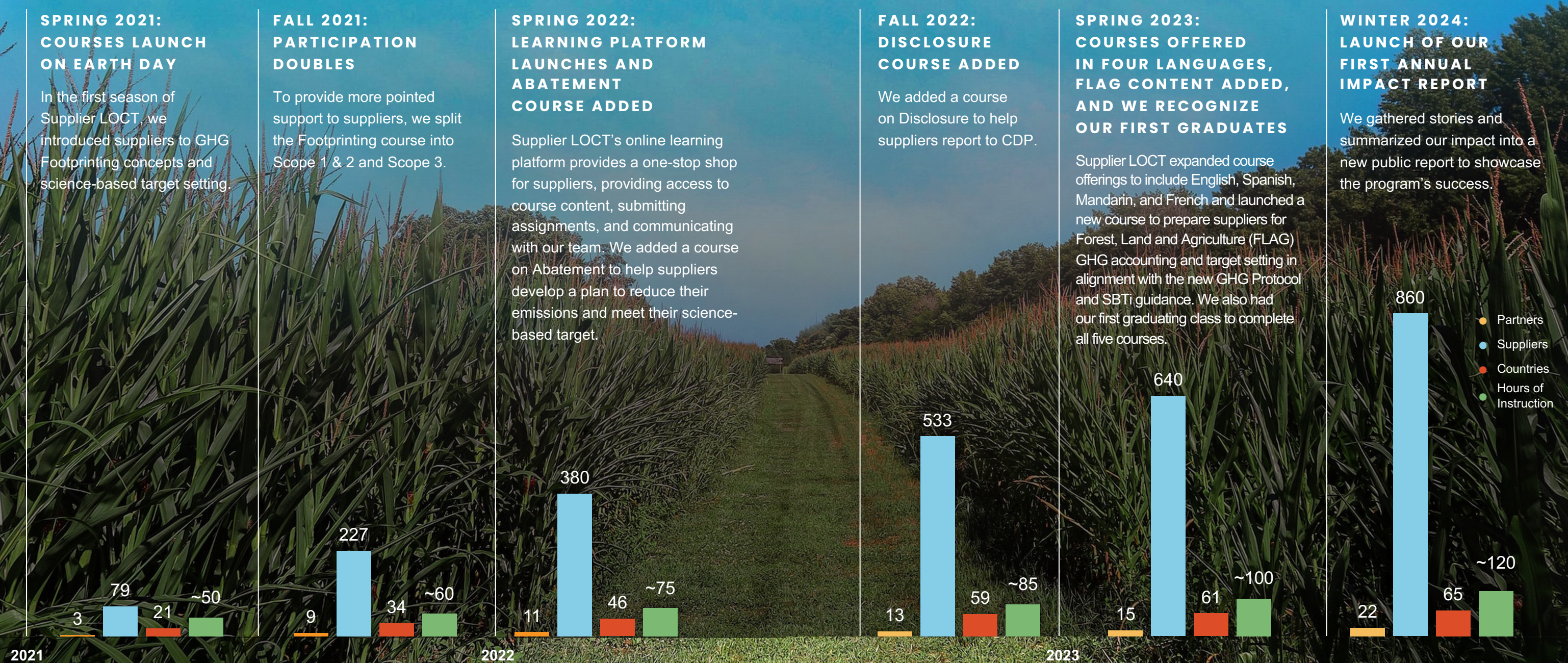
We added a course on Disclosure to help suppliers report to CDP.

**SPRING 2023:
COURSES OFFERED
IN FOUR LANGUAGES,
FLAG CONTENT ADDED,
AND WE RECOGNIZE
OUR FIRST GRADUATES**

Supplier LOCT expanded course offerings to include English, Spanish, Mandarin, and French and launched a new course to prepare suppliers for Forest, Land and Agriculture (FLAG) GHG accounting and target setting in alignment with the new GHG Protocol and SBTi guidance. We also had our first graduating class to complete all five courses.

**WINTER 2024:
LAUNCH OF OUR
FIRST ANNUAL
IMPACT REPORT**

We gathered stories and summarized our impact into a new public report to showcase the program's success.



The expanding bars year over year show our growth

Note: Hours of instruction includes webinar hours, office hours, responding to questions, and conducting individual conversations with suppliers.



coca-colacompany.com



PARTNER STORY

THE COCA COLA COMPANY

“Many suppliers started at square one. Their acceleration illustrates that Supplier LOCT is incredibly effective at building knowledge and driving action with less climate-mature suppliers.”

The Coca Cola Company has very high expectations for our suppliers in terms of decarbonization. However, we understand that most of our suppliers may not have the knowledge to build and execute an aggressive climate strategy.

We were looking for a solution that would grow our suppliers' knowledge and provide them with actionable resources when we heard about Supplier LOCT. Supplier LOCT allows us to actively support our supply chain members on their own climate journey, which in turn helps us meet our own science-based target, and work towards a low-carbon economy together.

We have seen fantastic progress among our LOCT suppliers. Initially, some of our suppliers did not have a carbon footprint. Now, they are moving on to not only develop an SBTi-compliant Scope 1, 2 and 3 footprint, but also commit and set science-based targets and develop abatement roadmaps.

Since we joined Supplier LOCT, 47 of our suppliers have committed to and/or set a science-based target after participating in the program. Many suppliers started at square one. Their acceleration illustrates that Supplier LOCT is incredibly effective at building knowledge and driving action with less climate-mature suppliers. All of this has a huge impact for us because such a large portion of our emissions resides within our supply chain.

To reach our climate goals, we're engaging more localized and smaller suppliers around the world. To support this, Supplier LOCT has included more language offerings and support for suppliers. Beyond that, Supplier LOCT proactively creates new content like the addition of the Forest, Land, and Agriculture (FLAG) course series. We love that the Supplier LOCT instructors are knowledgeable about what is happening in the climate space.

**CATHERINE
RUEPPEL**

Procurement Manager

THE *Coca-Cola* COMPANY

SUPPLIER PROGRESS

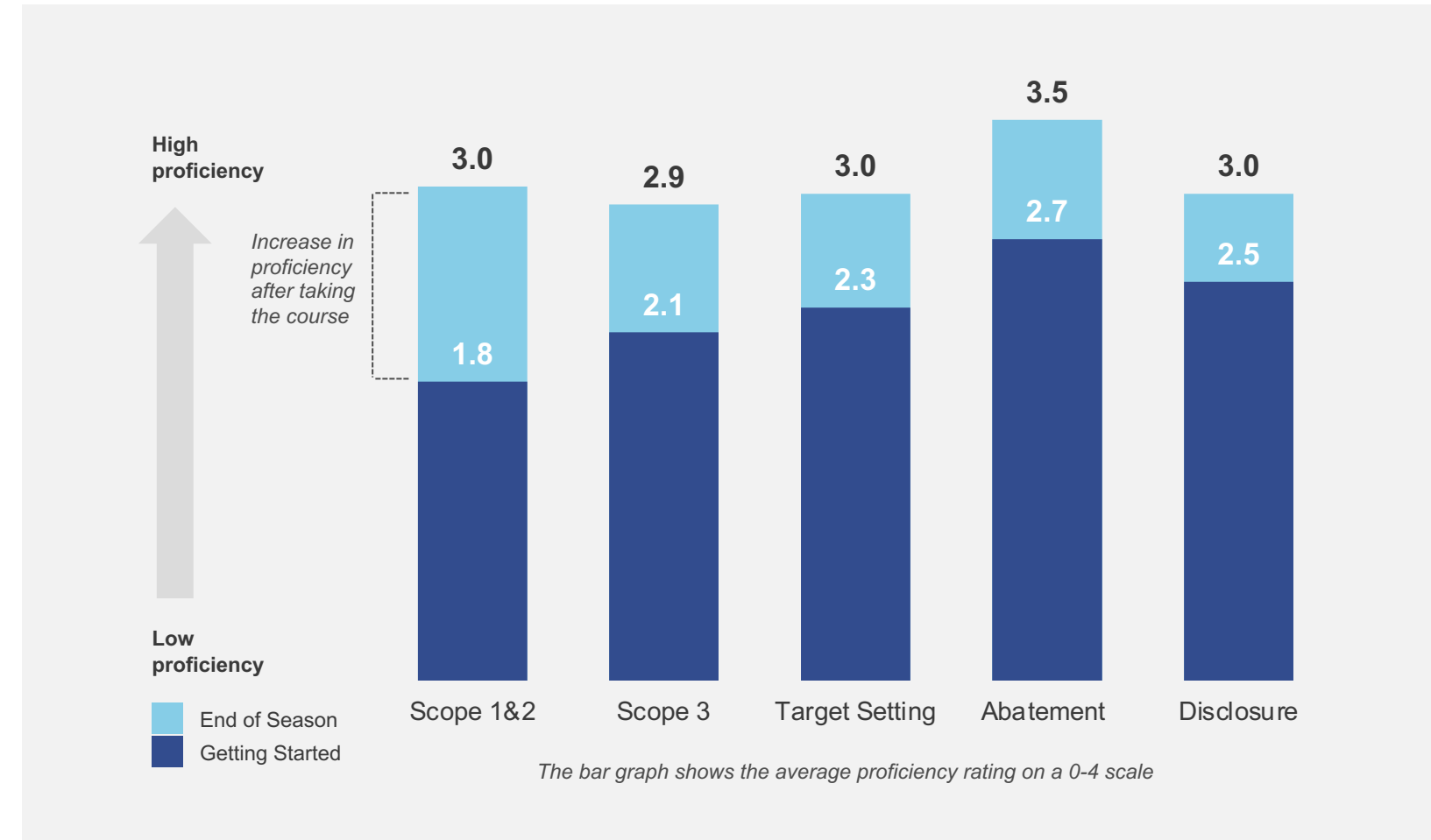
SUPPLIER PROFICIENCY IS INCREASING AS THEY COMPLETE EACH COURSE

Each season, suppliers rate their level of knowledge on course topics before they start a course and after completion. We hear from suppliers that they are highly satisfied with Supplier LOCT and our courses equip them to take action. They have shared that the courses help them increase their knowledge and make climate progress.

96% of suppliers report that course webinar content and assignments helped their team's ability to make climate progress. Not only did they increase knowledge, they report also being equipped to teach others in their organization, creating a larger overall impact.

96%

OF SURVEY RESPONDENTS CONFIRMED WEBINAR CONTENT AND ASSIGNMENTS HELPED INCREASE THEIR TEAM'S ABILITY TO MAKE CLIMATE PROGRESS



NUMBER OF SUPPLIERS THAT HAVE TAKEN EACH COURSE

465
Scope 1&2

287
Scope 3

210
Target Setting

70
Abatement

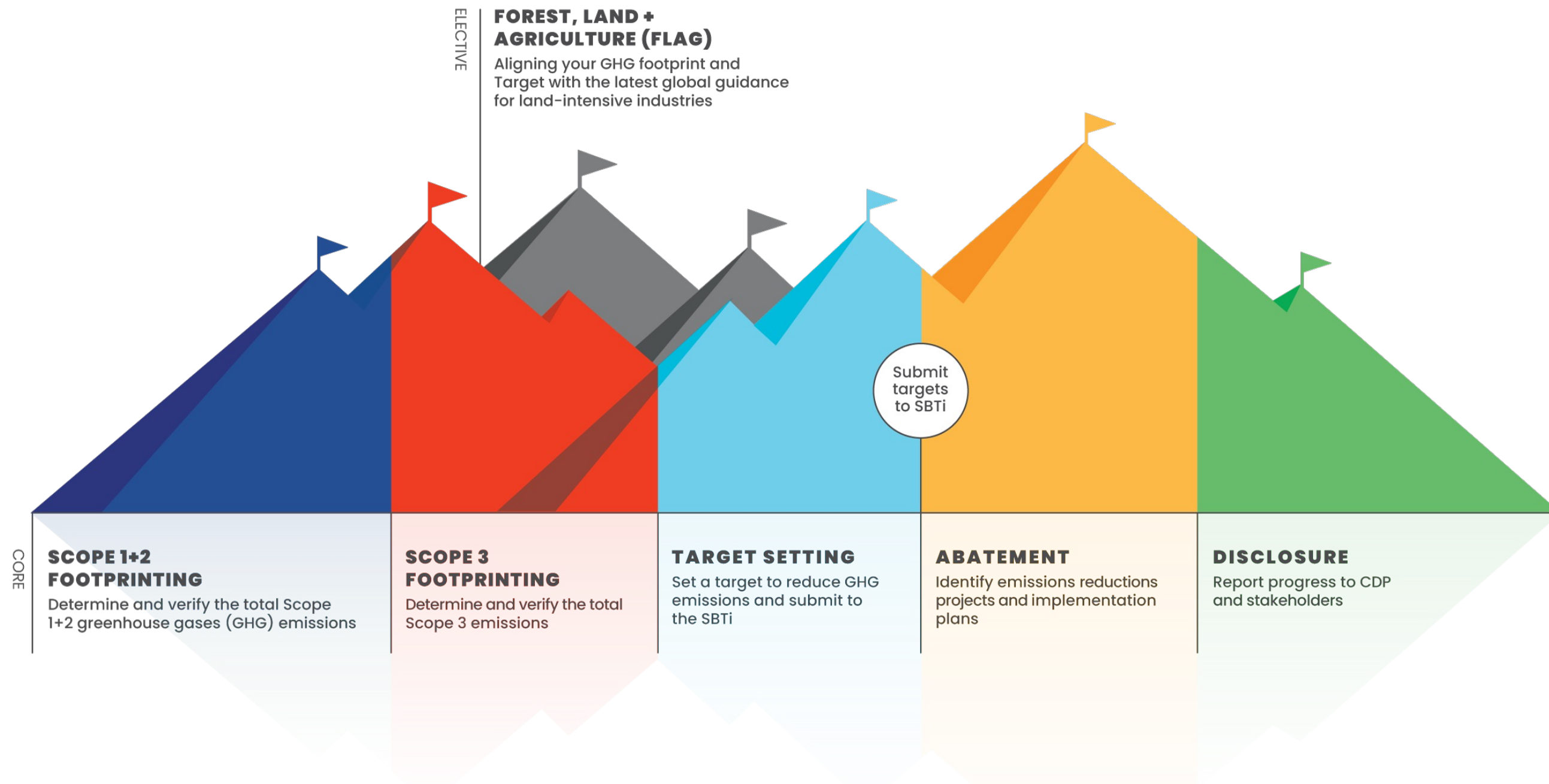
23
Disclosure

THE LEARNING JOURNEY

SUPPLIER LEARNING JOURNEY

Through partner and supplier feedback and collaboration with our experts, we've learned what it takes to educate for impact. Our curriculum continually evolves as the global environment shifts and as new climate standards are released, and regulations are approved. The core journey of courses on Footprinting, Target Setting, Abatement, and Disclosure are the key ingredients to equip suppliers with tools to navigate the rapidly evolving landscape and reach net zero by 2050. More courses are added as electives as the type of suppliers and partners grow.

The Supplier LOCT learning journey consists of five-course tracks. Each track occurs over a six-month season. Suppliers take one course each season, completing the full journey in 30 months, if starting with Scope 1 & 2 Footprinting and ending with Disclosure.





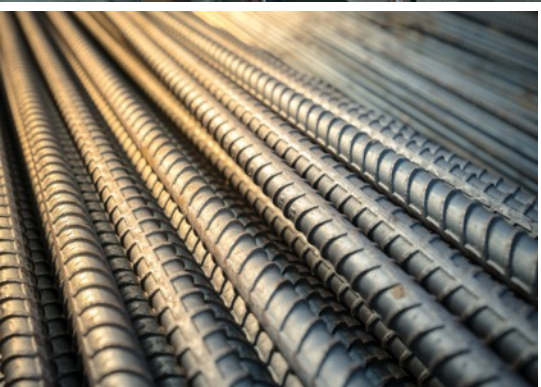
THE LEARNING JOURNEY

COURSE OUTCOMES

Throughout each course, suppliers are equipped with the information required to understand their GHG emissions, set targets to reduce their emissions, create a roadmap to implement emissions reduction projects, and disclose emissions publicly.

In each course, we provide suppliers with assignments and templates, so they make progress.

With access to practical tools and assignments that directly support their climate progress, workshop participants become true contributors to global climate progress.



SCOPE 1 & 2 FOOTPRINTING

Develop GHG emissions footprints measuring direct emissions from owned or controlled sources (Scope 1) as well as direct emissions from consuming purchased electricity, steam, heat, and cooling (Scope 2) following GHG Protocol and SBTi best practices. Companies set FLAG (Forest, Land, and Agriculture) targets in line with SBTi requirements.

SCOPE 3 FOOTPRINTING

Complete a Scope 3 GHG emissions footprint by documenting emissions that are a consequence of the activities of the company but occur from sources not owned or controlled by the company following GHG Protocol and SBTi best practices. FLAG guidance is also provided.

TARGET SETTING

Establish a science-based target. Commit to or set a science-based target to reduce GHG emissions with the SBTi. Companies set FLAG targets in line with SBTi requirements.

ABATEMENT

Identify and prioritize GHG emissions reduction opportunities and develop a plan to implement them.

DISCLOSURE

Allocate company activities or emissions data to a specific product and report to CDP.





PARTNER STORY

THE ESTÉE LAUDER COMPANIES

“We found Supplier LOCT to be the ideal collaborative endeavor to collectively accelerate climate action among suppliers.”



KAT MALEK-HOOD

Responsible
Sourcing Manager

ESTÉE
LAUDER
COMPANIES

At The Estée Lauder Companies, we were proud to be the first beauty company to join Supplier LOCT in 2021. With over 95% of our GHG emissions in our supply chain, we recognized that upskilling suppliers on climate literacy needed to be a critical part of our climate strategy and saw Supplier LOCT as an ideal collaborative endeavor where we could get further faster if we banded together with other companies to address this shared challenge at scale.

Building supplier capability on climate will continue to help us achieve our science-based climate target of reducing Scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, and business travel by 60% per unit revenue by 2030 from a 2018 base year. The commitments and performance of our supply chain partners are critical to our ability to deliver on our target.

We are working closely with suppliers to measure Scope 3 emissions more accurately, and Supplier LOCT’s ability to provide suppliers with easy access to virtual training, a digital

learning platform, and office hours with expert trainers, all focused on climate, is helping. As of the end of fiscal 2023, 90 of our suppliers have participated in Supplier LOCT.

As our reach grows, we’re taking an inclusive approach to climate capability building and intentionally included suppliers that are women-owned, Black-owned, and small in our first cohorts of Supplier LOCT suppliers. One key supplier recently shared that “Supplier LOCT came at the perfect time. It provided us with the structure and framework along with access to Guidehouse resources. It was good to understand the methodologies, the options, and which were most appropriate.” We are looking forward to engaging additional suppliers as we continue our growth.

By joining Supplier LOCT, we’ve gotten further faster. We are excited that other beauty/personal care brands have recently joined Supplier LOCT. As more companies join, we look forward to partnering to upskill our shared suppliers and drive climate action.



THEODORA IACOBELLIS

Marketing & Sustainability Analyst

Product(s) Supplied:
Food & Beverage
Closures

LOCT Courses:

- Target Setting (Spring '22)
- Scope 3 Footprinting (Fall '22)
- Abatement (Spring '23)
- Disclosure (Fall '23)



SUPPLIER STORY

SILGAN CLOSURES

Building a sustainability strategy from scratch: Scope 1 to CDP disclosure.

“Engaging with our suppliers along their journey helps us further reduce our footprint and achieve common goals. It’s a domino effect that is improving relationships and benefiting the environment.”

Three year’s ago, customers started asking us questions about our GHG emissions. We didn’t have a sustainability program or staff with a background in sustainability and climate which created a challenge for our customer relations. Supplier LOCT gave our team the tools and confidence we needed to build a sustainability program to meet the needs of our customers. The course sessions built critical, foundational knowledge, and course homework helped us put what we learned into action with tangible results for our climate progress.

Today, having completed 3 courses and currently enrolled in the Disclosure course, we have measured our Scope 1, 2, and 3 GHG footprints and formally committed to the gold standard of emissions reduction targets – a net zero target with SBTi. And we can confidently communicate and report on our sustainability plan with our customers and internal leadership.

Moving forward, there are three areas of focus for our Silgan team: Reducing emissions 50% by 2030 from 2017 levels, sourcing 50% of our electricity from renewable sources by 2030 and reaching net zero by 2050. Leading our first-ever submission to CDP was a true career milestone. The Disclosure course will help us refine and improve our approach to CDP reporting.

We know our own suppliers often find themselves in the same place we were three years ago. So, we have started passing along much of what we’ve learned through our Supplier LOCT education to those suppliers so we can work together to achieve impact. Bringing our suppliers along in the journey helps us further reduce our footprint and achieve common goals. It’s a domino effect that is improving relationships and benefiting the environment.

Badges:



SUPPLIER PROGRESS

SUPPLIERS ARE ACHIEVING CLIMATE MILESTONES

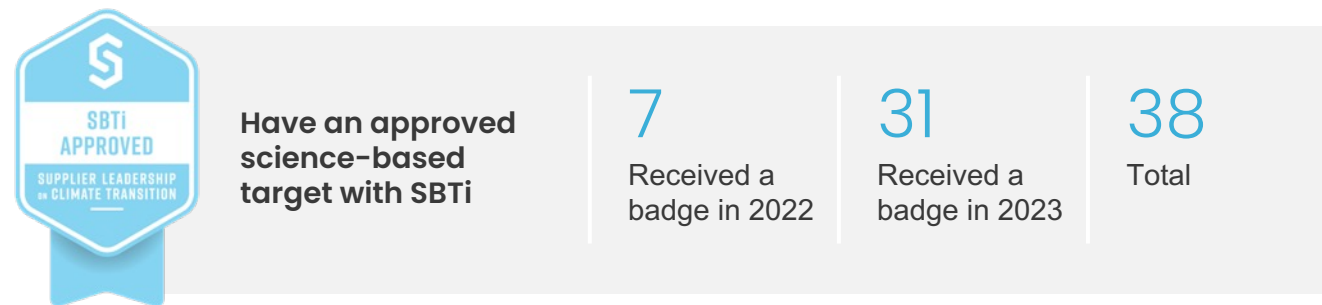
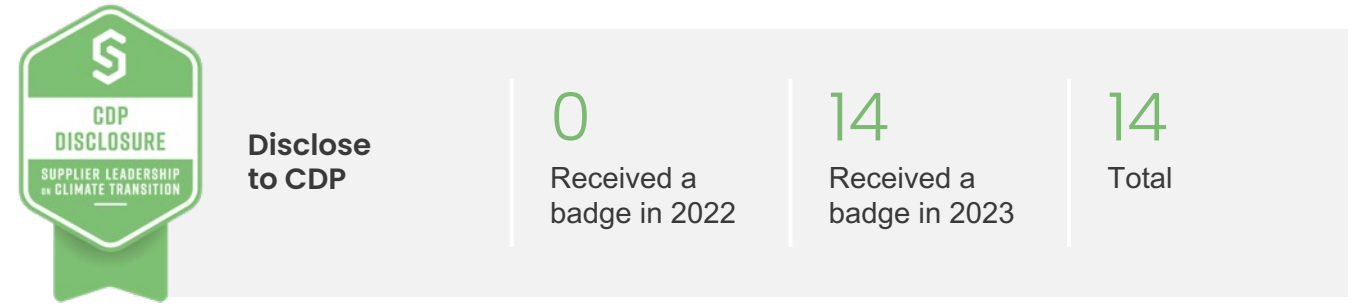
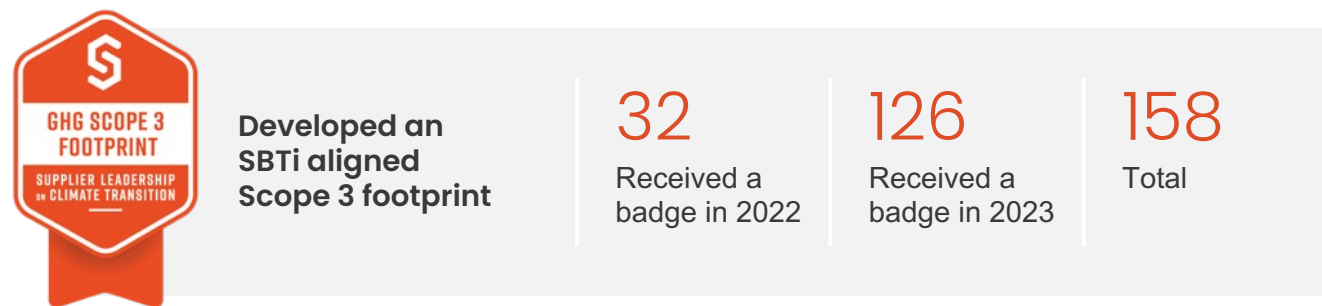
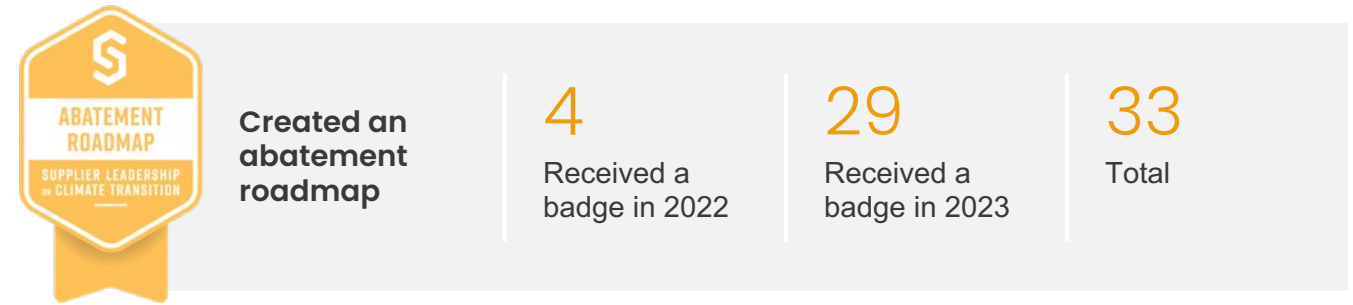
While increased proficiency among participating suppliers is important, we expect more for the suppliers enrolled in Supplier LOCT.

Our true impact is our ability to drive meaningful change—advancing Scope 3 emissions reduction and helping people and organizations make measurable climate progress.

We teach companies global accounting standards and best practices. So, while some companies may start Supplier LOCT with a company-wide GHG footprint, for example, they learn what is best practice and required by the GHG Protocol and the Science-Based Targets Initiative. Some companies even take a course they intended to skip, finding out they had a lot more to learn!

In the 2 ½ years we’ve been supporting suppliers on their climate journey, suppliers have turned their education into action by developing footprints, setting science-based targets, creating an abatement roadmap, and disclosing their emissions to CDP.

When suppliers take a course and then take action, they receive a badge to recognize their achievements. **To date, we’ve awarded 476 badges to over 300 supplier companies.**



As a key indicator of progress, developing a science-based target is a critical step in a supplier’s climate journey. We are proud that 37 suppliers received an approved science-based target after joining Supplier LOCT. 37 more have submitted their target for SBTi and are awaiting approval and 91 have formally committed to setting a science-based target in the next 2 years.



Note: The Abatement and Disclosure courses launched about 1 year after Supplier LOCT’s inceptions. As a result, these courses have lower badging numbers as Suppliers continue their climate progress and Supplier LOCT journey.



PARTNER STORY

NEIMAN MARCUS GROUP

“Supplier LOCT’s mission deeply aligns with NMG’s ESG strategy to Revolutionize Impact by advancing sustainable products and services, cultivating a culture of belonging and leading with love in our communities.”

MAGGIE FINDER

Senior Manager,
Sustainability &
ESG Reporting

NMG

NEIMAN MARCUS
BERGDORF GOODMAN

In 2022, Neiman Marcus Group (NMG) completed its first Scope 3 emissions screening. These emissions account for the majority of our total greenhouse gas footprint, with almost 90% attributed to our purchased goods and services category.

We recognized the substantial opportunity to revolutionize our impact on climate by developing a supplier engagement plan that didn't just encourage our brand partners and vendors to reduce their emissions, but also supported them in doing so through guided training and coursework. This is what we found in Supplier LOCT and why we decided to join as a partner.

Since joining, NMG has committed to setting a near-term supplier engagement target through SBTi in September of 2023, and has already seen the percentage of our suppliers with science-based targets increase over the past year. We continue to sponsor the participation of suppliers in Supplier LOCT training to help advance our brand partners' and vendors' climate journeys, as we work toward reducing our own Scope 3 emissions.

A great example of this program's impact is with NMG's property insurance provider, FM Global. In 2022, they awarded NMG a credit in recognition of our climate resiliency efforts, and a portion of this money was used to fund NMG's sponsorship of Supplier LOCT. FM Global subsequently enrolled in the program as an NMG vendor themselves and kicked off their climate work with the Scope 1 & 2 Footprinting course. They've proven an active participant and have re-enrolled for a subsequent season in the Scope 3 Footprinting course. This truly brings NMG's climate initiatives full circle, and we look forward to seeing what they accomplish with the support of Supplier LOCT.

Supplier LOCT's mission deeply aligns with NMG's ESG strategy to Revolutionize Impact by advancing sustainable products and services, cultivating a culture of belonging and leading with love in our communities.

We look forward to working closely with the Guidehouse team on opportunities to tailor Supplier LOCT training for the fashion sector, and we can't wait to see the climate-related successes of our brand partners and vendors come to life!



SUPPLIER STORY

OVATION IN-STORE

Managing customer sustainability requirements and local regulations.

NAIKA COLAS

Director of Sustainability

Product(s) Supplied:
Retail display cases for beauty and fragrances

LOCT Courses:

- Scope 1 & 2 Footprinting (Spring '22)
- Scope 3 Footprinting (Fall '22)
- Target Setting (Spring '23)
- Abatement (Fall '23)

OVATION
IN - STORE

“When customers ask us about our sustainability-related certifications and courses, we tell them about our participation in Supplier LOCT.”

As our customers' requirements become more stringent, Ovation In-Store joined Supplier LOCT seeking greater confidence and a smoother process to report on our climate impacts and commitments. Before we were collecting data for CDP and other disclosure platforms by doing a lot of phone and internet research to try and make sense of our data and report on it appropriately. This proved to be a difficult task.

Learning more about GHG emissions and their scopes through Supplier LOCT made it easier for us to report and has made us more prepared to respond to customer inquiries. We often pull up our homework assignments when responding to questions from customers and our suppliers. Our Supplier LOCT education and coursework gave us credibility and accountability with customers and our executives. We can now confidently report our progress, and the course assignments help us set internal deadlines to ensure that we are moving forward. The work required helps hold us all accountable.

Now when customers ask us about our sustainability-related certifications and courses, we tell them about our participation in Supplier LOCT and we tell them we have a Scope 1 and 2 footprint, Scope 3 footprint, and an SBTi approved target.

Doing the coursework has opened our eyes to how we think more boldly about how to reduce our footprint by looking beyond our direct emissions and what is asked from us in the CDP questionnaire. After taking the Scope 3 course, we realized we need to focus on our value chain and now Scope 3 is our emissions reduction priority, with a focus on plastics use. We are designing a circular, regenerative program for our clients for our in-store displays to reduce our plastics emissions. When displays are no longer in use by clients, we will cycle materials down to resin to reuse them. Ovation In-Store has also started setting recycled plastics standards and sharing what we've learned with our suppliers. We're looking forward to taking the Abatement course in the Fall 2023 season to further refine and progress our GHG reduction initiatives.

Badges:



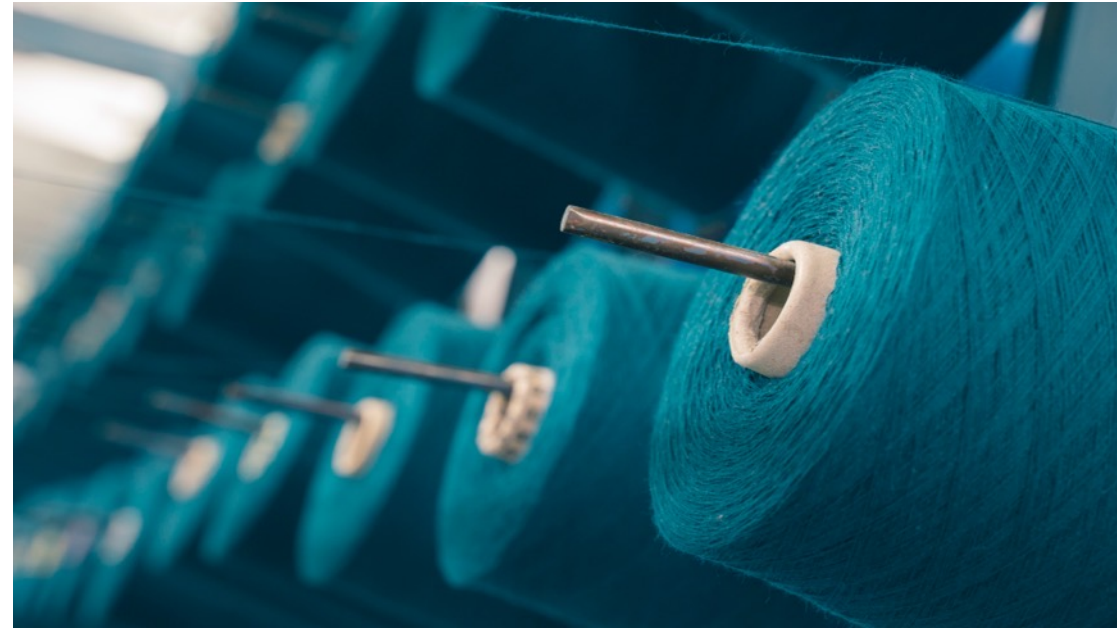
THE LEARNING JOURNEY

INSTRUCTORS FOR ACTION

Suppliers need experienced instructors who are responsive to the rapidly evolving requirements of the market. Our team of industry-leading experts support suppliers by bringing their real-world experiences working every day as consultants for leading organizations addressing decarbonization.

Our courses feature live webinars, many of them in four languages, along with live chats, discussion boards, and office hours to address questions unique to each supplier's organization.

These courses do more than educate suppliers about global accounting and reporting standards, they train suppliers to act. Courses feature assignments that give suppliers step by step instruction and hold them accountable for completing these steps.



LEAD INSTRUCTORS

Suppliers learn at different paces and have different challenges. The variety in suppliers is one aspect of the program that our expert instructors enjoy most. Unique needs come with each supplier, and the instructors are eager to help.

JANA PETRIKOVA

Scope 1,2, & 3 Footprinting

“I had a call with one of the students who was frustrated about the complexity of calculating the corporate GHG emissions, but they were grateful that we are helping them to answer their questions. Calculating footprints and setting targets can be overwhelming to understand and it is exciting to see how appreciative the participants are of us facilitating the process.”

MELANIE KUHN, PHD

Scope 1&2, Scope 3 and Product Carbon Footprinting

“I am proud to be supporting our students in getting started or advancing in their climate journey. The most rewarding aspect is that we are working with a diverse range of suppliers across many industries and thus are directly engaging the supply chain and setting them up with the tools and resources they need to become part of the climate solution.”

KELLY DONG

Target Setting, FLAG

“A supplier was exploring target setting methodologies and needed additional guidance to work through the nuances to land on the best option for their company. We took individual time with them and as a result, they could submit their science-based targets to the SBTi. Later, this supplier announced their approved targets on LinkedIn and tagged Supplier LOCT as one of the supporters along their journey. Celebrating our supplier’s accomplishments of our suppliers and be a part of their climate journey was such a proud and special experience for me.”

ROSHINI DAS

Climate Disclosure

“Last month during Seminar 2 covering Targets, Emissions, and Energy, we received one note from a supplier participant saying, “Ladies this hour is the most helpful seminar I’ve ever been on about CDP! Thank you!” It was a nice note to receive!”

DUSTIN BAILEY

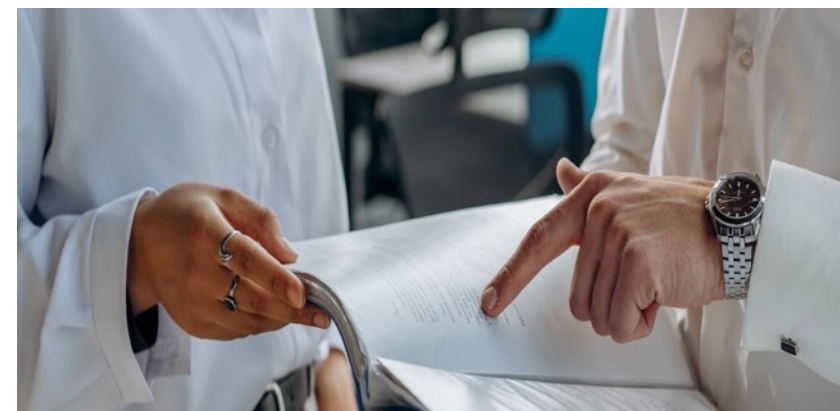
Abatement

“Some of my best experiences are when we have 1:1 training with specific groups. I have had the opportunity to reach customers that I otherwise would not have been able to have interactions with. I enjoy having the opportunity to guide them and respond to questions they have been struggling with.”

MAKENZIE PALLADINO

Scope 1,2 & 3 Footprinting

“I had a nice 1:1 conversation with a student who needed extra help. We discussed topics such as unit conversions, and I enjoyed seeing the light bulb click. It was rewarding helping them understand what we are teaching in seminars.”



WHAT'S NEXT?

With over 850 suppliers ready to act, we can't afford to slow down. Our next step is increasing support to suppliers by expanding our education offerings.

WE'RE LAUNCHING A NEW TRACK IN SPRING 2024

Our new Energy Efficiency and Renewables track, launching Spring 2024, will help suppliers identify the correct energy efficiency and renewable projects to implement and provide information to access funding to support and accelerate their efforts.

- Provide a comprehensive overview of energy efficiency including common measures, how to prioritize options, and planning for implementation
- Understand how to identify and implement energy efficiency measures and renewable energy to reduce Scope 1 & 2 GHG emissions
- Understand the economics of energy efficiency and sources for potential funding for implementing measures
- Review the decarbonization and GHG reduction benefits of commercially available renewable electricity products

NEW PARTNERSHIPS

It's impossible to ignore what Supplier LOCT partners and suppliers are accomplishing. We will be announcing new partnerships with iconic global companies and organization throughout the year and will continually celebrate their commitment to join us.

A NOTE FROM OUR TRUSTED NGO PARTNERS

As Supplier LOCT continues to make progress,
NGOs are recognizing its importance.

“Managing climate risk is essential for companies who want to thrive in a decarbonized future. For many companies, that risk comes from the goods and services they purchase, which is why programs that enable supplier engagement are so critical. Supplier LOCT has tapped into the collective power of brands to educate and support suppliers on their own climate management journey.”

Laura Draucker

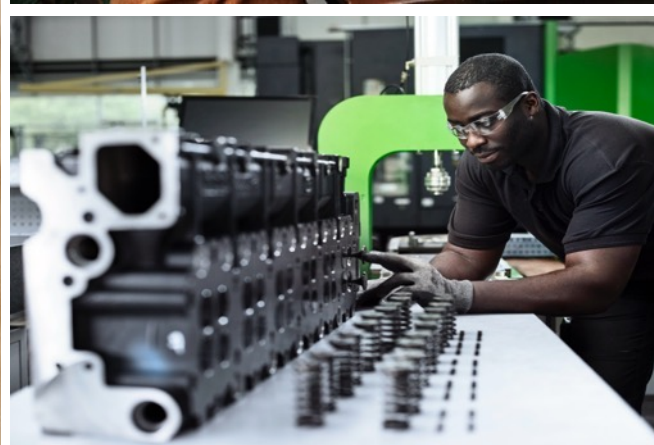
Director, Climate and Energy, Corporate Climate Action, CERES

“Supplier LOCT’s focus on supply chain engagement and action is one of the most critical enablers for climate action. Successfully engaging suppliers – helping them learn and act on the most urgent issues to address climate change – is critical for solving our climate challenge and creating a green economy that creates both business value and environmental value.

Action is what we need from companies in this decisive decade when we need to reduce emissions by 50%. Most of a company’s emissions are often in their supply chain and climate challenges are complex and require collaboration. Leading companies who are prioritizing climate action can send a strong signal for action throughout the supply chain. And companies who know how important it is to bring their supply chain along on the climate journey are facilitating the transformation that is needed to create a thriving planet for people, business, and the environment.”

Elizabeth Sturcken

Managing Director, Corporate Partnerships, The Environmental Defense Fund



THANK YOU, JOIN US!

It's easy to be overwhelmed by the massive amount of change required to reach our global climate goals. But we're inspired every day by the people who are making positive change happen through Supplier LOCT. From the individuals with their hands directly touching each ingredient, to the teams moving a product across the globe, to the customers making sustainably-minded purchasing decisions, collective action is the only way forward.

To those who are already participating in Supplier LOCT, thank you for your dedication to working together for measurable impact. To those who are not yet with us, what are you waiting for? We need you, too. This is your invitation.

Join us!

REACH OUT TO A LEADERSHIP TEAM MEMBER AND VISIT WWW.SUPPLIERLOCT.COM TO START YOUR JOURNEY.



OUR TEAM

THE ACTION SUPPLIERS ARE TAKING IS THE RESULT OF DEEP COLLABORATION AMONG OUR PARTNERS, SUPPLIERS, AND THE SUPPLIER LOCT TEAM.

LEADERSHIP

Matt Banks
Ann Davison
Nicole DelSasso
Britt Harter
Vincent Hoen

Leonardo Palomera
Kelly Raymond
Zack Rosenfeld
Madison Ryan
Kendall Wiss

OPERATIONS

Matt Bove
Heidi Buckhout
Campbell Burgess
Meg Campbell
Alan Chen
Marina Dauer
Erin Day
Addie Fairley
Khadeeja Hussain
Andrew Johnson
Karthika Nair

INSTRUCTORS

Dustin Bailey
Isabel Cortina
Roshini Das
Kelly Dong
Rebecca Eaton
Melanie Kuhn
Derek Nong
Makenzie Palladino
Jana Petrikova
Shroothi Ramesh
Ranjith Rajan
H. Christine Richards
Jessie Zhao





SUPPLIER LEADERSHIP
ON CLIMATE TRANSITION

powered by  **Guidehouse**

www.SupplierLOCT.com