

## **In Race to Reach Net-Zero, 15 Companies Approach Science-Based Targets Through Supplier Leadership on Climate Transition (Supplier LoCT)**

*The Clorox Company and Heineken Company Join Consortium to Drive Meaningful Climate Action and Energy Transformation*

**WASHINGTON—November 11, 2022—**The urgency in accelerating climate action is top of mind as world leaders gather in Egypt this week for COP 27, the 27th annual UN meeting on climate. Iconic companies Atlantic Packaging, The Clorox Company, The Coca-Cola Company, The Estée Lauder Companies, General Mills, The Heineken Company, Keurig Dr Pepper, Mars, Incorporated, McCormick & Company, Mondelēz International, Nestlé North America, PepsiCo, Restaurant Brands International, and Yum! are spearheading the way forward on a unique collaborative consortium effort to inform innovative approaches for the reduction of greenhouse gas (GHG) emissions across the supply chain.

In April 2021, Guidehouse, a leading global provider of consulting and managed services to public sector and commercial clients, partnered with founding members Mars, McCormick & Company, and PepsiCo for the formation of the Supplier Leadership on Climate Transition (Supplier LoCT) consortium, a collective action platform that standardizes climate action and provides suppliers with resources, tools, and knowledge to support their own climate journeys. As the consortium continues to evolve with the addition of new members including The Clorox Companies and The Heineken Company, they also challenge and invite all approved signatories to the Science Based Target initiative to join and work collaboratively to impact this complex issue that crosses communities, industries, geographies and traditional boundaries.

“We are working collaboratively with our value chain partners to make a meaningful impact and take urgent action to set science-based targets,” said Sonia Thimmiah, Senior Director Global Sustainability at The Heineken Company. “Together with Supplier LoCT, The Heineken Company is giving our suppliers the tools to understand their emissions, develop and report targets as well as creating a community of passionate leaders across our value chain that will amplify the positive impact, we can have to urgently address climate change.”

“It’s never been more vital for companies to engage their supply chains to help advance climate action,” said Eva Choe, Chief Procurement Officer at The Clorox Company. “As part of Clorox’s commitment to a cleaner world, it’s critical to leverage the collective power of the industry to support suppliers’ capabilities necessary for achieving our ambitious scope 3 science-based targets.”

Members of Supplier LoCT sponsor the participation of their suppliers in a six-month series of instruction developing a GHG footprint, setting a science-based target, adopting GHG abatement measures, and disclosing progress. Guidehouse subject matter experts provide supplier participants with direct mentoring and

actionable steps on how to build internal capacity. As suppliers move through their sustainability journey, they earn recognition for their accomplishments.

“Science-based targets are our top sustainability priority, and Supplier LoCT is helping us to get there,” said Nicolas Lootens, Group Sustainability Manager at Vetropack, a supplier participant in Supplier LoCT.

COP27 brings government, corporate, and NGO leaders together to accelerate action toward the goals of the Paris Agreement and the UN Framework Convention on Climate Change. Supplier LoCT members attending the event plan to share information about how supporting their suppliers on their sustainability journey helps them meet their own science-based target initiatives and invite other companies to join the consortium.

Supplier LoCT is truly global, with 55 countries represented by the companies and their suppliers. With over 500 suppliers in Supplier LoCT across 14 companies, this program guides suppliers on their climate journeys, from scope 1-2 and footprinting to abatement. As a result of the program, 60% of suppliers in Supplier LoCT have developed scope 1 and 2 footprints and 55% of suppliers have developed a scope 3 footprint. The Supplier LoCT approach has been widely recognized as a practical and scalable approach to addressing the universal challenge faced by companies in addressing scope 3 emissions.

“We are at a pivotal moment,” said Jan-Willem Bode, Partner and Sustainability Lead at Guidehouse. “Companies that have set science-based targets must move beyond pledging to action, and that requires developing a meaningful plan to address scope 3 emissions and for suppliers to address footprinting, target-setting, abatement, disclosure, green finance, and change management faster than the first wave did over the last decade. Reaching net-zero requires sustained supplier engagement in order to contribute to GHG reductions, leading to more resilient supply chains as well. This allows for companies to stay on track with the Paris Agreement. Without these step-change approaches, 2030 and 2050 targets are certainly out of reach.”

Barry Parkin, Vice President of Sustainability & Procurement for Mars, said: “The best way we can slow climate change is with a unified approach from our industry, and it’s never been more important to motivate, educate and measure the actions of our suppliers on the front lines of this effort. Mars is very pleased to see Supplier LoCT membership continue to grow, and we look forward to making real progress together.”

Laura Draucker, Director of Corporate Greenhouse Gas Emissions at Ceres, a global nonprofit focused on sustainable economic growth, noted that investors are united in their call for disclosure and action on corporate scope 3 emissions and the climate risks they represent. “Companies that are setting targets and acting on scope 3 through programs like Supplier LoCT are addressing those climate

risks head on. All companies that want to thrive in a low emissions future should join them.”

Companies interested in learning how to sponsor their suppliers' participation in the next season of educational seminars, launching in early 2023, can request a consultation by contacting [matthew.banks@guidehouse.com](mailto:matthew.banks@guidehouse.com). For further information, please visit: [www.supplierloct.com](http://www.supplierloct.com).

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