

















September 16, 2022

## **Minnesota Businesses Support Climate Action**

Dear Governor Walz,

As major employers in Minnesota, we write to express our support for the state's transition to economy-wide carbon neutrality by 2050, as set out in the Climate Change Subcabinet's Minnesota Climate Action Framework.¹ Climate change poses a significant risk to our businesses, threatens the competitiveness and livelihoods of our supply chains, and impacts the communities in which we operate. We have also made ambitious commitments to reduce greenhouse gas (GHG) emissions in our own operations and supply chains, and we look forward to working together to follow through on them.

We are already experiencing the devastating impacts of climate change in Minnesota. Our climate is hotter and wetter than any other time in our state's history, threatening our businesses and communities with heavy precipitation, flooding, and more extreme heat waves.<sup>2</sup> Because of these risks to our businesses, consumers, and employees, we view climate action as a top priority for Minnesota and offer our support for statewide strategies that will achieve economy-wide carbon-neutrality by 2050.

Executive Order 19-37<sup>3</sup> established the Climate Change Subcabinet and the Governor's Advisory Council on Climate Change to "promote coordinated climate change mitigation

<sup>&</sup>lt;sup>1</sup> https://climate.state.mn.us/sites/climate-action/files/2022-01/Climate%20Action%20Framework%20Draft 2.pdf.

<sup>&</sup>lt;sup>2</sup> Devastating events such as the 2016 flood in Faribault and the 2012 flood in Duluth demonstrate how damaging climate change will be to our state. See the Draft Climate Action Framework, page 9: https://climate.state.mn.us/sites/climate-action/files/2022-01/Climate%20Action%20Framework%20Draft 2.pdf.

<sup>&</sup>lt;sup>3</sup> EO 19-37, titled "Establishing the Climate Change Subcabinet and the Governor's Advisory Council on Climate Change to Promote Coordinated Climate Change Mitigation and Resilience Strategies in the State of Minnesota." <a href="https://mn.gov/governor/assets/2019\_12\_2\_EO\_19-37\_Climate\_tcm1055-412094.pdf">https://mn.gov/governor/assets/2019\_12\_2\_EO\_19-37\_Climate\_tcm1055-412094.pdf</a>.

and resilience strategies for the state of Minnesota." In recognizing that the state has fallen short of meeting its interim goal of 15% greenhouse gas (GHG) emissions reductions by 2015 and is not on track to meet its 2025 goal of 30%, 4 the Executive Order tasked the Subcabinet with identifying policies and strategies that put Minnesota back on track to meet or exceed its climate goals, established under the Next Generation Energy Act. 5 While Minnesota's energy sector is making substantive progress towards reducing its emissions intensity 6, we must redouble our efforts to ensure that the state achieves its near- and long-term climate commitments and achieves economy-wide carbon neutrality by 2050.

**Aveda** knows that profit and environmental responsibility go hand in hand, as nature works for both sustainability and our bottom-line. Climate change is one of the key threats to the biological diversity upon which our products and each of our lives depend, thereby Aveda is committed to reducing carbon emissions and achieving carbon neutrality. We strongly support efforts to meet the Paris Agreement by limiting global warming to well under 2 degrees Celsius. Aveda, based in Blaine, Minnesota, pioneered the use of renewable energy in 2006, when we became the first beauty company to manufacture using 100% wind power through the purchase of renewable energy credits and carbon offsets. And in June 2020, we completed a 2,900-panel solar array which powers up to 50% of our manufacturing facility's annual demand for energy, with the remainder powered by wind. Clean energy not only makes business sense, but it is increasingly the expectation of our customers, employees, and investors.

At **Ben & Jerry's**, we know that our business is and will be directly threatened by climate change—and see decarbonizing the economy as an urgent policy priority. Our <u>climate priorities</u> cover every aspect of our operations, from addressing waste management in our sourcing, ingredients, and packaging, to improving efficiency and renewable energy usage at our manufacturing facilities and scoop shops. We have been working to reduce our environmental impact for decades, and finally have the data to set the following science-based targets for our climate commitments: 1) our company-owned facilities will use 100% renewable energy by 2025; 2) we will reduce our emissions intensity by 40% by 2025 (from a 2015 baseline); and 3) we will reduce our emissions intensity by 80% by 2050.

Carbon reduction is a business imperative for **Clif Bar**. We are committed to powering our operations with 100% renewable electricity and have made significant investments in energy efficiency and on-site solar at our headquarters and baking facilities, allowing us to reduce energy waste and cut costs. We are also engaged with all aspects of our value chain: we have already helped 44 of our supply chain facilities take advantage of cost-savings from renewables and supported energy investments by others — some of whom were able to cut lighting costs by up to 65%. We are committed to electrifying our transportation fleet, both to reduce our emissions and because the fuel and maintenance cost savings benefit

<sup>&</sup>lt;sup>4</sup> https://www.pca.state.mn.us/air/greenhouse-gas-emissions-data.

<sup>&</sup>lt;sup>5</sup> https://www.pca.state.mn.us/air/state-and-regional-initiatives#:~:text=The%20Next%20Generation%20Energy%20Act&text=The%20act%2C%20which%20had%20bipar tisan,renewable%20energy%20standards%20in%20Minnesota.

<sup>&</sup>lt;sup>6</sup> Clean Energy Economy Minnesota, "2022 Minnesota Energy Factsheet." https://www.cleanenergyeconomymn.org/factsheet.

our bottom line. In addition, we help our employees drive change and access the benefits of the clean energy economy by incentivizing the purchase of fuel-efficient hybrid and electric cars and supporting energy efficiency improvements in their homes.

Protecting the environment is **Ecolab's** core purpose. As a company working at the nexus of business and sustainability, solving the world's greatest water, food, and climate challenges are business imperatives. Making a positive impact starts with our own operations, which we are addressing through our 2030 Impact Goals. Ecolab commits to halving Scope 1, 2, and 3 carbon emissions by 2030, achieving net-zero carbon emissions by 2050, and reaching 100% renewable electricity by 2030. We will meet our goals by expanding energy efficiency projects at Ecolab sites, covering renewable energy by partnering with Clearwater Energy Group on our virtual power purchasing agreement, electrifying our fleet, and working with supply chain partners looking to adopt similarly ambitious goals. Ecolab also knows that climate change cannot be solved by any one business or organization, which is why we set a goal of helping customers reduce greenhouse gas emissions by 6 million metric tons per year and conserve 300 billion gallons of water each year by 2030. As a proud Minnesota company, Ecolab is also providing leadership in our home state, including a \$5 million gift from the Ecolab Foundation to the University of Minnesota in 2018 to support sustainability research and education for years to come.

The climate crisis demands urgent action and systemic change. In order to address the climate crisis, the fashion industry must move from the linear take-make-waste model into a sustainable system that replaces or replenishes the resources involved. That is why **EILEEN FISHER** has launched **Horizon 2030™**, our initiative to address our operation's carbon footprint. Through the lens of carbon reduction, we are examining our most fundamental processes: designing our main line product up to and including our products' second life as in EILEEN FISHER Renew product or as feedstock for the fiber-to-fiber recycling program that is part of EILEEN FISHER Waste No More. By focusing on these circular initiatives, we strive to emit less by making more use of the resources we already have in-hand. EILEEN FISHER has Science-Based Targets for emission reductions. By 2025, we are aiming for a 25% reduction in GHG emissions created during the production and shipping of our garments (compared to a 2017 baseline). We also monitor our suppliers' emissions and energy use with the Higg Facilities Environmental Module, encouraging them to establish and make progress toward their own goals.

**General Mills** was the first company to publish a full value chain goal approved by the Science-Based Target Initiative in 2015. We have committed to reducing our greenhouse gas (GHG) emissions by 30% by 2030 and a long-term goal to achieve net-zero emissions by 2050. As a global food company, our business is rooted in agriculture. The agricultural ecosystems we source our ingredients from are particularly vulnerable to the impacts of climate change and can play a key role in reducing emissions. General Mills is committed to advancing regenerative agriculture on one million acres of farmland by 2030. Regenerative farming improves soil health while reducing inputs and enabling higher profit margins for

farmers. We see restoring soil health through farming practices, including nutrient management, cover cropping and reduced tillage, as a crucial strategy for reducing GHG emissions by increasing soil-based carbon capture. We have funded two conservation districts in the Red River Basin where technicians are deploying technical assistance and cost share to support farmers with the implementation of regenerative agriculture practices. We also have funded the MN Soil Health Coalition and the MN The Nature Conservancy to launch similar programs via the National Fish & Wildlife Foundation Conservation Partners Program as well as funded research into perennial grains, like Kernza®, and natural solutions through programs such as our \$1 million investment in the University of Minnesota's Forever Green initiative. We are also proud to have recently achieved 100% renewable power for our direct operational needs in the United States.

**IKEA USA** recognizes that unsustainable consumption, climate change, and growing inequalities are critical challenges for the world. IKEA's **People & Planet Positive strategy** sets comprehensive climate and sustainability goals for 2030, in line with UN Sustainable Development Goals. We aim to leverage our size and brand to inspire more than 1 billion people to respect planetary boundaries; to become circular and climate positive, regenerating resources to support the IKEA brand; and create positive social impacts along IKEA's value chain. We strongly support the Paris Climate Agreement—we are committed to becoming climate positive by reducing more GHG emissions than the IKEA value chain emits, with end goals of halving emissions by 2030 and reaching net zero by 2050 at the latest. We are committed to being clean energy leaders in Minnesota -- we recently installed 1014 kW of rooftop solar at our Bloomington location, which is now the state's largest solar array, and we remain committed to supporting clean energy at all our facilities after achieving a solar presence at 70% of our U.S. locations.

Interest in carbon-neutral design solutions has grown significantly among **LHB's** clients in recent years, allowing our Duluth/Minneapolis-based architecture and engineering firm to grow its Climate Solutions work from a fledgling side business into a full-blown studio that supports multiple employees. We believe that strong state support for decarbonization strategies would encourage clients across a range of industries to adopt net-zero practices and designs, bolstering our firm's position as a Minnesota business and contributing to larger efforts to solve the looming crisis of climate change.

**Trane Technologies** is a global climate innovator. Through our strategic brands Trane® and Thermo King®, and our portfolio of environmentally responsible products and services, we bring efficient and sustainable climate solutions to buildings, homes and transportation. Trane Technologies is helping solve for some of the world's biggest sustainability challenges and inspiring industry and global change with its 2030 Sustainability Commitments. These commitments include the company's "Opportunity for All" pledge which aims to achieve gender parity in leadership, workforce diversity reflective of its communities, and community support to advance equitable education and pathways to green and Science, Technology, Engineering and Math (STEM) careers. Our ambitious

greenhouse gas (GHG) emissions reduction targets have been verified by the Science Based Targets Initiative (SBTi). We are also the first in our industry (global HVAC/climate) to have our GHG emission targets verified by SBTi, and one of only 47 companies globally to have its targets verified twice.

Last year, hundreds of companies across the country brought this case to the federal government when they successfully pushed the Biden administration to set a 2050 net zero goal. Net zero strategies will help ensure prolonged profitability, reduce risk, safeguard the resilience of our supply chains, and allow us to better meet the growing demands of our customers and investors.

In summary, we are taking the urgent threat of climate change seriously and recognize the significant opportunity for Minnesota to do the same. The Climate Action Framework offers an important step towards achieving our longer-term goal of carbon neutrality, building a sustainable economy that will enhance the vitality, competitiveness, and growth of our state, while sending a clear signal that Minnesota is open for business.

Please do not hesitate to reach out if we can provide additional information.

Sincerely,

Aveda
Ben & Jerry's
Clif Bar
Ecolab
EILEEN FISHER
General Mills
IKEA USA
LHB
Trane Technologies

CC: Members of the Climate Change Subcabinet

Members of the Governor's Advisory Council on Climate Change

For more information, please contact Deana Dennis at <u>ddennis@ceres.org</u>