

Technical Advisory and Validation of Climate Programs and Projects

Companies across the global economy have responded to mounting pressures to address their climate-related impacts and ensure long-term business success by publicly committing to GHG emissions reduction targets. Though this is an important first step, companies are now facing headwinds in how to effectively engage their supply chain partners in impactful projects to achieve their GHG emissions reduction targets.

Winrock International (Winrock) works collaboratively with companies to support them in building effective climate mitigation strategies, achieving emission reduction objectives, and meeting their science based targets (SBTs) and Net Zero goals. For many companies, their Scope 3 emissions make up the most sizable part of their climate emissions footprint. For this reason, Winrock supports companies under this integrated service offering to create a pipeline of GHG mitigation projects in their supply chain that are technically sound and can be counted towards the company's GHG emissions goals.

Winrock is experienced in providing this service to some of the world's best-known companies

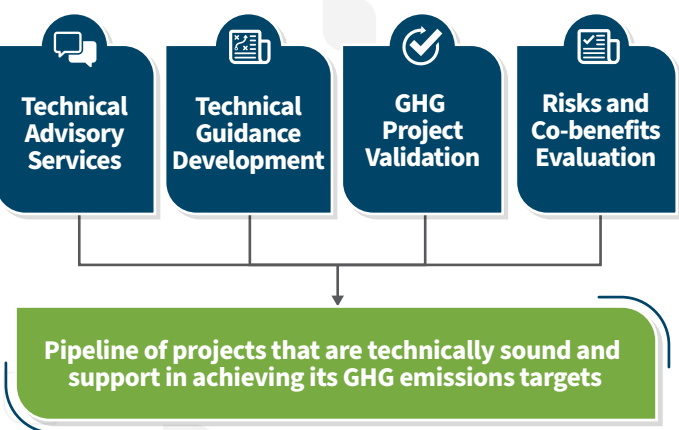
and front runners in supply chain climate mitigation efforts, such as Nestlé, McCormick, and Microsoft. Additionally, Winrock leverages its deep knowledge and expertise to contribute its thought leadership to voluntary standards and initiatives like the GHG Protocol, SBTi, VCMI, Value Change Initiative, and the AIM Platform. As more companies look to significantly reduce emissions across their value chains and support regenerative supply chain transitions as a means for decarbonization, Winrock is actively leveraging its expertise to support companies in reducing their supply chain emissions, assessing the quality of GHG mitigation projects, designing analytical tools, and ultimately scaling impact for our clients.

Project Example

Winrock is collaborating with one of the largest food manufacturers in the world to validate hundreds of impactful GHG emission reduction and removal projects across their global supply chain. This is in addition to supporting the company and its suppliers on numerous technical advisory requests. Winrock's work is meaningfully contributing to this company's strategy to invest in initiatives toward net zero, including investments to help to spark regenerative agriculture across their supply chain by 2025.

APPROACH & METHODS

Under this integrated service offering, Winrock supports companies in four different ways to turn a pipeline of project ideas into a validated portfolio that will pass a rigorous sustainability audit:



Technical Advisory Services:

Technical Advisory Services include supporting companies’ procurement and sustainability teams and their suppliers on critical topics related to climate mitigation, which are coordinated and targeted to build stakeholder understanding of GHG emissions accounting standards and project quality. Technical Advisory Services facilitate effective climate mitigation strategies, catalyze GHG reduction and removal project ideation, and execute high-quality projects.

Technical Guidance Development:

Winrock creates user guides and technical knowledge products that are aligned with a company’s internal standards, existing processes, and risk thresholds, and are designed to increase efficiency and effectiveness of GHG benefit projects. The user guides and knowledge products include documentation to facilitate alignment with internal ESG policies and leading standards in the GHG accounting and reporting space.

GHG Project Validation:

Project validation services aid in the development of a portfolio of projects that are both highly impactful and technically sound. Project validations increase the rigor, consistency, and evidence of climate projects to substantiate GHG emission reductions and removals in alignment with leading standards and guidance such as the SBTi and GHG Protocol.

Risk and Co-benefits Evaluation:

This is a holistic assessment of risk and co-benefits associated with GHG reduction and removal projects. It ensures that risk assessments follow approved standards and identifies high-level risks based on geographic and project-specific factors. In addition, it quantifies the complementary outcomes from carbon projects that are also material to stakeholders, such as biodiversity, water, regenerative agriculture, and other ESG metrics, in alignment with the organization’s broader sustainability objectives.

CUSTOMIZED SERVICE TIERS

Winrock offers three coordinated levels of service that can be customized depending on a client’s need.

	Tier 1	Tier 2	Tier 3
Technical Advisory Services	✓	✓	✓
Technical Guidance Development	✓	✓	✓
GHG Project Validation	✓ LIGHT	✓	✓
Risk & Co-Benefit Evaluation	✗	✓ LIGHT	✓

Tier 1:

Technical Advisory and Light Project Validation or Methodology Validation

Winrock’s basic service includes ad hoc technical advisory support to companies’ procurement and sustainability teams and suppliers on critical topics related to climate mitigation, GHG accounting, and project development.

In addition, Winrock’s Tier 1 service includes light project validation or the validation of a proposed methodology. Light project validation includes checking that evidentiary documentation is provided and conducting a light technical review to ensure GHG benefit calculations are technically valid and sound. This service is appropriate for companies beginning to embark on investments in GHG benefit projects or for companies with a highly technical in-house team

who are looking for assistance with their third-party assurance audit or internal assessment practices.

Winrock also offers this service to project developers and supply chain suppliers for technical guidance to ensure alignment with GHG standards and target corporate brand sustainability programs.

Not included:

- ✗ In-depth project validation and assurance of alignment with standards and guidance
- ✗ Development of technical guidance or knowledge management support
- ✗ Risk and co-benefit scan for potential projects

Tier 2:

Technical Advisory, Technical Guidance Development and Full Project Validation

Winrock's Tier 2 offering includes ad hoc and strategic technical advisory to companies' procurement and sustainability teams and suppliers on critical topics related to climate mitigation, GHG accounting and project development. The Tier 2 technical advisory can be expanded to include additional support such as designing supplier engagement strategies, developing decarbonization strategies for departments and categories, or assessing supplier Net Zero Roadmaps.

Winrock's Tier 2 service includes full project validation to evaluate proposed GHG emission mitigation projects within a company's supply chain. Project validations facilitate the identification of projects that are technically sound (primarily from a GHG emissions mitigation perspective) to support companies in achieving their SBTs or Net Zero goals. Project validations increase the rigor, consistency and evidence of climate projects to substantiate GHG emission reductions and removal projects, prepare companies for third-party assurance or audits, and ensure alignment with leading standards and guidance.

Winrock's Tier 2 service also includes technical guidance development and knowledge management services to increase efficiency of project development and submission, ensures alignment with updates and changes to leading standards in the GHG accounting and reporting space, and improves understanding of critical topics for procurement, sustainability, and supplier teams.

The full project validation service includes a risk and co-benefit scan, which uses a disclosure-based assessment of risks and co-benefits associated with a project, but not an in-depth assessment.

Key risks and co-benefits reviewed include:

- ✓ Risk assessment and safeguards
- ✓ Climate change adaptation and resiliency
- ✓ Sustainable use and protection of water resources
- ✓ Pollution and waste control
- ✓ Transition to a circular economy
- ✓ Protection and restoration of biodiversity and ecosystems
- ✓ Human and labor rights
- ✓ Community and farmer impacts

Not included:

- ✗ Risk and Co-Benefit Evaluation (scan only)

Tier 3:

Technical Advisory, Technical Guidance Development and Expanded Project Validation

Winrock's Tier 3 expanded service includes those described in Tier 2, in addition to an in-depth, comprehensive evaluation and technical advisory of the associated risks and co-benefits for all project types – as each project type and context require unique analysis of the relevant and material risks and co-benefits.

Technical Advisory and Project Validation Support for Nature and Regenerative Agriculture Programs and Projects

For companies with additional regenerative agriculture and nature targets or strategies, Winrock can provide technical advisory and project validation support across an organization's environmental KPIs. In these instances, Winrock would provide a standalone or an add-on service for other environmental KPIs while assessing the GHG impacts of a project. An integrated approach can help drive efficiency and alignment in engaging suppliers and program participants across broader sustainability objectives.