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**Chapter 2 HBR**

1. I believe that a business should be able to account for its global GHG footprint across various countries. The HBR text mentioned how countries with tight environmental regulations have lower 29% lower emissions on average, but that this has resulted in other countries having 43% higher emissions (HBR Ch 2). This clearly suggests that companies are aware of their emissions and once they are asked to account for them, they make conscious choices to move their emissions to other places where it will cost less. If companies are able to make those choices, then there exists a possibility for them to account for their overall emissions and work to report and reduce them overall. This is where the GHG Protocol can be used to have a standard set of metrics to account for across a company’s supply chain. It is already used by at least 92% of Fortune 500 companies (GHG Protocol Website). The existing GHG protocol makes it feasible for more companies to account for its global footprint; however, natural limitations could occur when operating across several countries. For example, some countries may have more or less transparency when it comes to the energy sources of their utilities, making it complicated or more difficult to report on emissions.

2. Companies can decide to take a set of the strictest regulations (typically the EU) and then apply them to products which are sold across the world. This often happens with safety requirements or other restrictions like when the EU mandated tech companies use USB-C as a standard port, causing the latest iPhone and Apple laptops to all switch over to USB-C charging. Companies should try to go above a regulator’s mandates and effect change across the supply chain. One example of this is Project Gigaton created by Walmart, which seeks to avoid/reduce one billion metric tons of GHG by its value chain by 2030 using targets and by working with its supply chain partners and other nonprofits.

Chapter 6 HBR

1. To accurately assess a company's carbon budget in the context of achieving a "Net Zero" climate footprint, it's essential to consider the broad spectrum of its emissions. This includes direct emissions (Scope 1) from owned or controlled sources, indirect emissions from the generation of purchased energy (Scope 2), and all other indirect emissions (Scope 3) that occur in the company's value chain, including both upstream and downstream activities. Scope 3 emissions, which can include everything from the extraction and production of purchased materials and fuels to the end-of-life treatment of sold products, often represent the largest source of a company's greenhouse gas (GHG) emissions. For industries with extensive supply chains, such as manufacturing or retail, including Scope 3 emissions in the carbon budget is crucial for a comprehensive assessment of their climate impact.

However, not all emissions are directly controllable or easily quantifiable by a single company, especially within Scope 3. Therefore, while striving for Net Zero, a company might prioritize actions where it can have the most significant impact and control. This includes transitioning to renewable energy sources, improving energy efficiency, and investing in low-carbon technologies. In some cases, emissions that are either technically infeasible to eliminate or economically prohibitive might be compensated for through carbon offset projects, such as reforestation or investments in renewable energy projects elsewhere. It's important, though, that these offsets are used judiciously and in addition to, rather than as a replacement for, direct emissions reductions to ensure genuine progress toward Net Zero.

Finally, the transparency and integrity of the carbon accounting process are paramount. This involves not only accurately measuring and reporting all relevant emissions but also making assumptions and methodologies clear. For example, a company in the technology sector would need to include emissions from data centers, digital services, and product lifecycle in its carbon budget. Meanwhile, exclusions might be justified for emissions that are double-counted in the supply chain or for activities not central to the company’s operations. However, any exclusions should be well-documented and align with established standards, such as the Greenhouse Gas Protocol, to maintain credibility with stakeholders and ensure the company's efforts contribute meaningfully to global climate goals.