ICC SWEDEN SUSTAINABILITY COMMITTEE 3 JUNE 2022

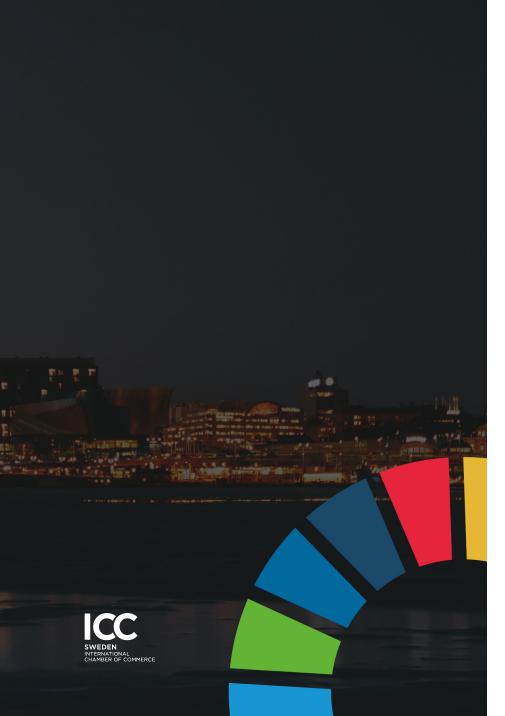


OPENING OF THE MEETING

Lena Hök, Committee Chair and EVP, Sustainability & Innovation, Skanska

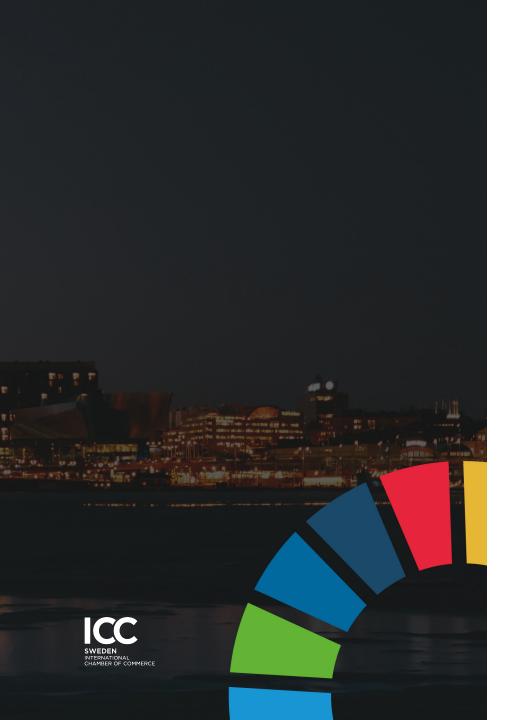
Marie Trogstam, Committee Vice Chair and Director, Sustainability & Infrastructure, Confederation of Swedish Enterprise





PURPOSE

To gather views, input and experiences from the Swedish business community and raise them to a global level to work for common rules and standards that accelerates the transition to sustainable societies and help businesses take a leading role in this transition.



HOW WE WORK

- Take a holistic approach to sustainability
- Gather senior Swedish business
 representatives
- Meet twice a year
- Monitor and provide input to the work of ICC's global commissions
- Provide an opportunity to impact global developments through ICC's unique role in the UN and other organizations



CR&ANTI-CORRUPTION

Hema Lehocky Chief Compliance & Ethics Officer, AFRY AB

Marie Trogstam Director, Sustainability & Infrastructure, Conf. of Swedish Enterprise

Richard Fleetwood Senior Compliance Advisor, Consilio International AB

Ylva Lindquist Vice President Compliance, Epiroc AB

Malin Lönnqvist Head of Compliance, Kivra AB

Malin Helgesen Specialist Counsel, Mannheimer Swartling Advokatbyrå

Zsuzsa Martinez Head of Group Compliance, Scania AB

Lena Hök EVP Sustainability & Innovation, Skanska AB



ENVIRONMENT & ENERGY

Catarina Paulson, Head of Sustainability, Alfa Laval Corporate AB

Marie Trogstam, Director, Sustainability & Infrastructure, Conf. of Swedish Enterprise

Kerstin Lindvall, SVP Corporate Responsibility, ICA Gruppen AB

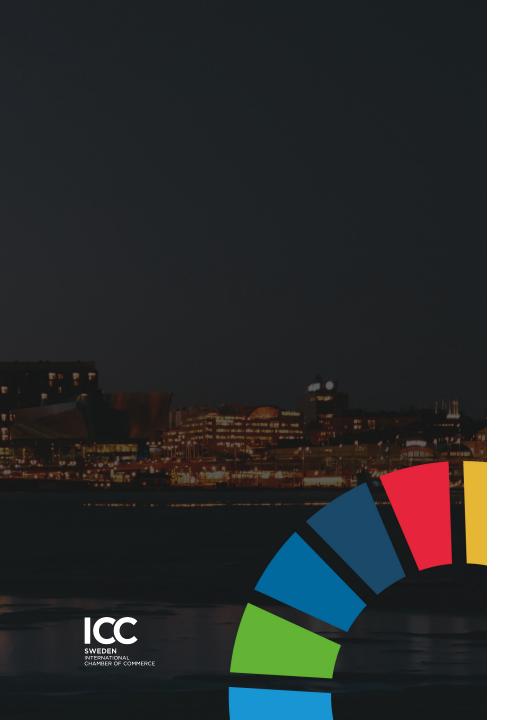
Pär Larshans, Head of Sustainability, Ragn-Sells Företagen AB

Maria Sahlin, Head of Environment, SAAB AB

Lena Hök, EVP Sustainability & Innovation, Skanska AB

Johan Lannering, Head of Sustainability, SKF AB

Mats Pellbäck Scharp, Head of Sustainability, Telefonaktiebolaget L M Ericsson



ACHIEVEMENTS

- Circular Economy and International Trade
- ICC Framework on Responsible Environmental Marketing Communications
- ICC Guidelines on Whistleblowing

NEW VICE CHAIR

Marie Trogstam

Director Sustainability & Infrastructure, Confederation of Swedish Enterprise





THE ROLE & WORK OF ICC ON SUSTAINABILITY

Justin Perrettson,

Chair, ICC Commission on Environment & Energy, and Head of Sustainability Partnerships, Novozymes



ICC SUSTAINABILITY PROJECTS

ICC Sweden Sustainability Committee Meeting 3 June 2022



ICC Commission on Environment and Energy Objectives

KEY OBJECTIVES

Making Climate Action Everyone's Business

• Lead business engagement on implementation of the Paris Agreement and advocate for and shape a predictable, clear and effective international climate policy landscape and support the provision of tools and incentives, in partnership with other organisations and institutions, to make climate action accessible to small businesses.

Making Action on Biodiversity Everyone's Business

• Lead business engagement and provide real-economy insights into critical-path international environmental negotiations – including the development of an ambitious, clear and effective Post-2020 Global Biodiversity Framework – that can help business deliver solutions to effectively address the challenges of biodiversity loss and promote sustainable use of the world's biological resources.

Making Trade Work for People and Planet

• Recognising the key role of international trade and trade finance in tackling environmental and climate change challenges, work to define and set the standards for sustainable trade in a manner that is practical, comprehensive, and provides sufficient transparency into the sustainability of a transaction.

Making Climate Action Everyone's Business

- In 2021, ICC developed a major global campaign, including the full ICC network in 100 jurisdictions to set out the "business case" for a successful agreement and implementation of Article 6 the Paris Agreement enabling cross-border emissions trading.
- The campaign was credited by several government delegations in Glasgow as having played an important role in finally getting those negotiations over the line.
- ICC's successful engagement at COP26 and its targeted approach to climate change issues, provides a foundation to build a distinctive and value-add programme of work in the sustainability space, leveraging ICC's engagement opportunities and key policy content deliverables

2022: Make the "business case" for effective implementation of the Paris Agreement
 - including in relation to key decision items at COP27.

Key dates :

- ICC Briefing on Outcomes of COP26: 8 February
- UNFCCC Intersessional meetings: 6-16 June, Bonn, Germany
- COP27: 7 18 November Sharm, El-Sheikh, Egypt



Making Climate Action Everyone's Business

Critical design elements of carbon pricing instruments

- A cross-commission technical working group (+140 members from 29 countries), under the auspices of the Global Environment & Energy/Taxation Commissions, explored company experience under the 60 existing national carbon pricing regimes and established <u>10 clear best practice principles</u> for their design and implementation.
- The paper, which was launched at COP26, makes the case for how harmonisation of national carbon pricing regimes around a common set of best practices can help drive more ambitious climate action without imposing unnecessary costs on the real economy.
- Second phase 2022: Develop best practice guidance on the smart design of carbon pricing systems, building on the existing ICC Carbon Pricing Principles, taking into account further technical discussions on Article 6 of the Paris Agreement and its implementation
 - Ongoing work under ICC WG on carbon pricing
 - Objective to deploy at COP27, 7 18 November Sharm, El-Sheikh, Egypt



Making Action on Biodiversity Everyone's Business

Bringing business voice to COP15

Provide real-economy insights and bring a united business voice to UN Biodiversity Conference COP15 to help deliver solutions that will effectively address the challenges of biodiversity loss and promote sustainable use of the world's biological resources.

□ The overarching objectives of the WG, which brings together +100 members from 23 countries, are to:

- Act as a forum for exchange of information, views and knowledge on policy developments relating to biodiversity, with a particular focus on the current biodiversity negotiations;
- ✤ Identify specific issues of relevance to companies; and
- Explore how ICC can address these issues as appropriate.

□ ICC developed comments on the First Draft of the post-2020 Global Biodiversity Framework

- Ongoing work under WG on Biodiversity to identify specific issues of relevance for business
- 13 29 March: UN Convention on Biological Diversity Prep Meetings, Geneva, Switzerland
- 21-26 June: Additional Prep Meeting, Nairobi, Kenya
- Dates to be confirmed: UN Convention on Biological Diversity, COP 15, Kunming, China

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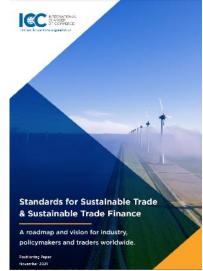
14 LIFE BELOW WATER

15 LIFE ON LAND

Make Trade work for People and Planet

Sustainable Trade Finance Taxonomy

- □ICC set out on a new initiative to develop the first-ever industry taxonomy to define what constitutes a sustainable trade finance transaction filling a major gap in existing practice within the financial sector.
- □ A beta version of the Standards for Sustainable Trade & Sustainable Trade Finance positioning paper was launched at COP26.
- 2022: Establish a robust sustainability framework for trade transactions capable of being adopted at scale by banks and corporates; building on successful groundwork for first-ever industry taxonomy on sustainable trade finance to develop the first iteration of the sustainable trade definitions and standards.
 - Survey was circulated to the network for input (more than 200 responses received)
 - Second phase work under way
 - Aim to launch the standards in the lead up to COP27



ICC Commission on Environment and Energy Emerging Issues/Areas of consideration for potential engagement



Where can/does ICC have a unique value-add?

Is there an opportunity for a tangible ICC contribution?

Where and how can we be most impactful?

ICC Commission on Environment and Energy Key Dates for 2022

- 13 29 March: UN Convention on Biological Diversity Preparatory Meetings (SBSTTA 24, SBI 3 and OEWG-3), Geneva, Switzerland
- ✤ 25 AprilICC Global Environment & Energy Commission Virtual Meeting
- ✤ 30 May 1 June: OEWG meeting for plastics pollution LBI, Dakar, Senegal
- ✤ 2-3 June: Stockholm+50
- ✤ 12-15 June: 12th Ministerial Conference (MC12), Geneva, Switzerland
- ✤ 6-16 June: UNFCCC Intersessional Meetings Bonn, Germany
- * 21-26 June: UN Convention on Biological Diversity Additional Intersessional Meetings Nairobi, Kenya
- ✤ 26-28 June: G7 Summit, Bavaria, Germany
- 29 August 14 September (still to be announced): UN Convention on Biological Diversity COP15, Part 2, Kunming, China
- ✤ 13-27 September: UN General Assembly New York, USA
- 6-18 November: COP27 Sharm, El-Sheikh, Egypt (starts one day earlier)
- 15-16 November (new dates): G20 Summit, Bali

THANK YOU!

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Digitalization fundamental for sustainability

Mats Pellbäck Scharp Head of Sustainability Sustainability and Corporate Responsibility report 1

Ericsson Net Zero across value chain by 2040

Own activities Reducing emissions to ultimately

net-zero emissions by 2030

Supply chain

Halving emissions by 2030, and increase climate action in global supply chains

Portfolio Develop and innovate our portfolio to halve emissions by 2030 and support climate action in society

Society

Tallace

Increase climate action globally through ICT solutions. Digitalization can enable a 15% reduction in global emissions by 2030

Industry commitment, data and trend

Global

- Networks: 250 TWh, 150 Mt CO2e
- Data centers : 20 TWh, 12 Mt CO2e
- Renewable energy 12 %

US

- Energy 50 TWh (+2%)
- Renewable energy 10%

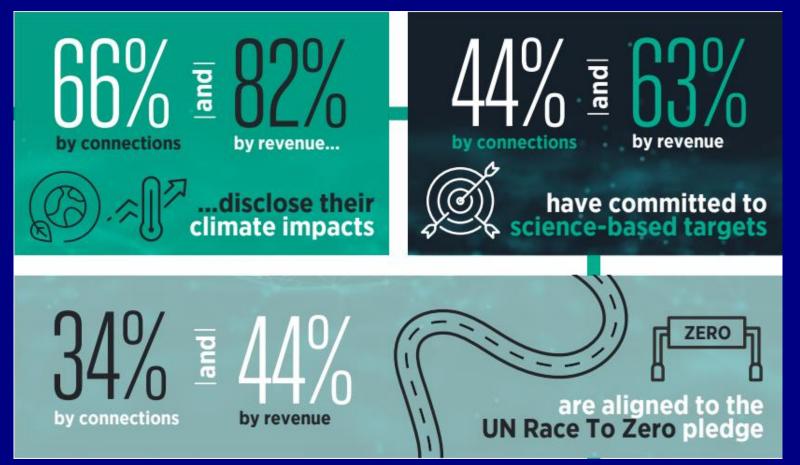
China

- Energy 75 TWh (+25%)
- Renewable energy 0%

EU+

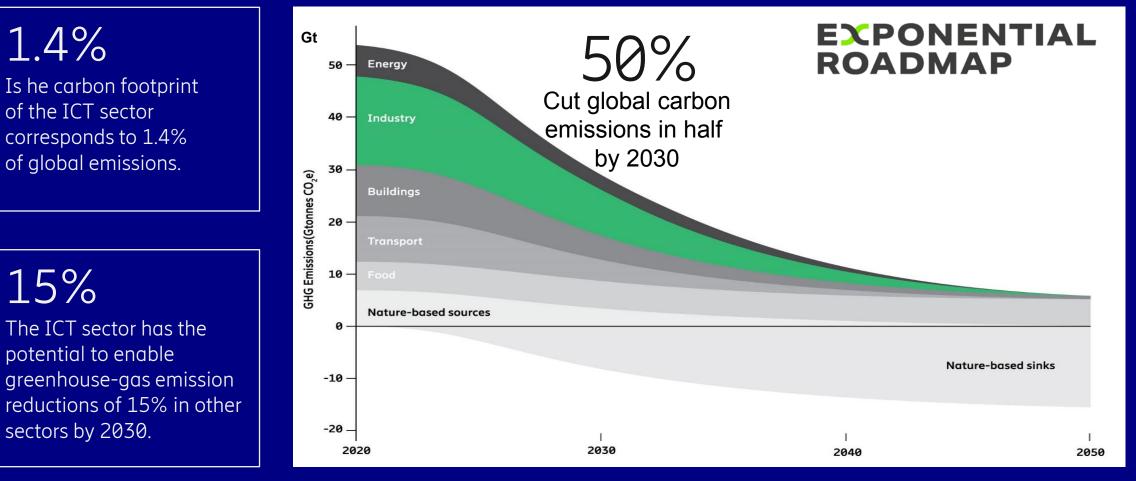
- Energy 25 TWh (-3%)
- Renewable energy 61% (+49%)
- Subscribers +3%
- Data traffic +75%

Source: Ericsson, ICT sector 2020 data and percentual changes since 2018



Source: GSMA, Mobile Net Zero

ICT enabling decarbonization of industry and society



Source: Exponential Roadmap

Policy topics to consider regarding digitalization

- Digital infrastructure shall be treated/supported with similar means as other fundamental societal infrastructure
- Ensuring that opportunities in recovery and resilience plans of countries and transnational organization include digital opportunities.
- Make broadband build out initiative's technology neutral.
- Improve methods to capture digitally (often transformational) enabled environmental improvements
- Incorporating digitalization enabled savings into National Determined Contributions (NDCs)

1.5°C Supply Chain Leaders

Driving climate action throughout global supply chains



Telefónica



Microsoft











SCAN GLOBAL LOGISTICS RAGN A SELLS





"We have committed to work with our suppliers to be aligned with the 1.5°C ambition, meaning halving emissions every 10 year. We recognize the challenge this poses to our suppliers, and we see the Race to Zero "SME Climate Hub" as a great initiative to collectively support many companies to start their climate action. We need collaboration and as such join us in this race to zero."

Moti Gyamlani, Head of Group Sourcing, Ericsson

1.5°C Supplier Engagement Guide

Practical guidance for 1.5°C aligned targets and action throughout global supply chains



www.ericsson.com/sustainability



The Power to Shape Policy. The Power to Expedite Trade.

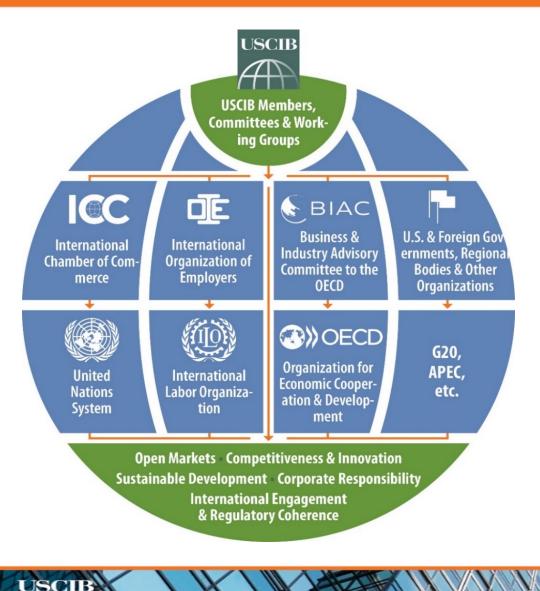
United States Council for International Business - USCIB

- A brief outlook on current sustainability policy developments in the U.S.

Agnes Vinblad, Policy & Program Associate, Sustainability at USCIB

United States Council for International Business

The Power to Shape Policy. <u>The Power to Expedite</u>



International Policy Advocacy organization <u>representing</u> U.S. Business (300+ US-based F500 cos), biz associations, professional service firms

Multi-sectoral, All of Economy, Member Driven, Consensus-based

Promotes open markets, competitiveness & innovation, sustainable development & corporate responsibility for & by US cos

Focus on democratic values, rule of law, inclusive societies, transparency and freedom of expression

Advocates <u>multilateral cooperative approaches and</u> policies through the multilateral system & other IGOs, working w/business

USCIB Process and Unique Value Proposition



International Climate Change: 2022 Update

- IPCC Reports in 2022
 - Impacts, Adaptation and Vulnerability (February)
 - Mitigation of Climate Change (April)
- War in Ukraine, sanctions and energy market turbulence
- High Level Experts Group (HLEG) on Net-Zero Emissions Commitments of Non-State Entities
- UNFCCC Subsidiary Bodies: June 6 16 in Bonn // Prep for COP27
 - COP27 Presidency Priorities: transition to implementation. advancing national and African concerns, particular w/re/financing, adaptation, green transformation/energy transition
- <u>COP27: November 7 18, Sharm El-Sheikh</u>

CBD, SBI, SBSTA and OEWG meetings: March 14 – 29, 2022

- Limited progress on Global Biodiversity Framework (GBF)
- Targets 7(Pollution) and 15 (Business) as others are covered by ICC ABS and GIC

Continuation of CBD meetings, June 21 – 26 in Nairobi

• Objective to make adequate progress on GBF for conclusion at COP15

Numerous outstanding issues include Digital Sequence Information (DSI)

• USCIB is working with ICC to maintain coordination

COP15, August 29 – September 5 in Kunming China (?)

Legally Binding Instrument (LBI) on Global Plastics Pollution: 2022 Update

Mandate agreed at UNEA 5.2

- Flexible to national circumstances
- "full life-cycle approach"
- Circular Economy opportunities
- Binding and non-binding elements
- Platform for voluntary actions
- Positive mention of private sector/opportunity for engagement

Negotiations begin quickly

- Open-ended Working Group => May 30 June 1 Dakar, Senegal
- Intergovernmental Negotiating Committee (INC) plus "forum" w/non-state actors => 2nd half 2022 (venue TBD)
- Complete work in 2024, followed by COP1

Thank you!



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R O U N D T A B L E D I S C U S S I O N



1 H D D



Read more about and see if your company is represented in the Sustainability Committee

