



# *Ensuring Employee Incentives Align With Your Climate Values*

April 13th, 2023

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OUR DONORS!

## THANK YOU TO OUR DONORS

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# SPEAKERS



**Courtney Pineau**  
Executive Director,  
Climate Collaborative



**Lauren Fraser**  
Co-founder,  
Canopy



**Alex Wright-Gladstein**  
CEO and Founder,  
Sphere

# CLIMATE COLLABORATIVE COMMITMENTS



Integrate carbon farming  
into the agricultural  
supply chains



Increase energy  
efficiency



Reduce food-waste in  
the supply chain



Remove commodity-  
driven deforestation  
from supply chains



Responsible  
engagement in  
climate policy



Reduce the climate  
impact of packaging



Commit to 100%  
renewable power



Reduce short-lived  
climate pollutant  
emissions



Reduce climate  
impacts of  
transportation

# WHY OPERATIONALIZE CLIMATE?

- Move climate action from sitting with one person or team to being an accountability for all staff providing more resilience to your efforts
- Provide the opportunity for staff to engage more deeply with the mission
- Ensure that business strategy aligns with your climate strategy and actions
- Align your business offerings and actions with your values and mission
- Support staff well-being through opportunities for them to also live into their values, while knowing that their work and activities (including investments) are mission-aligned

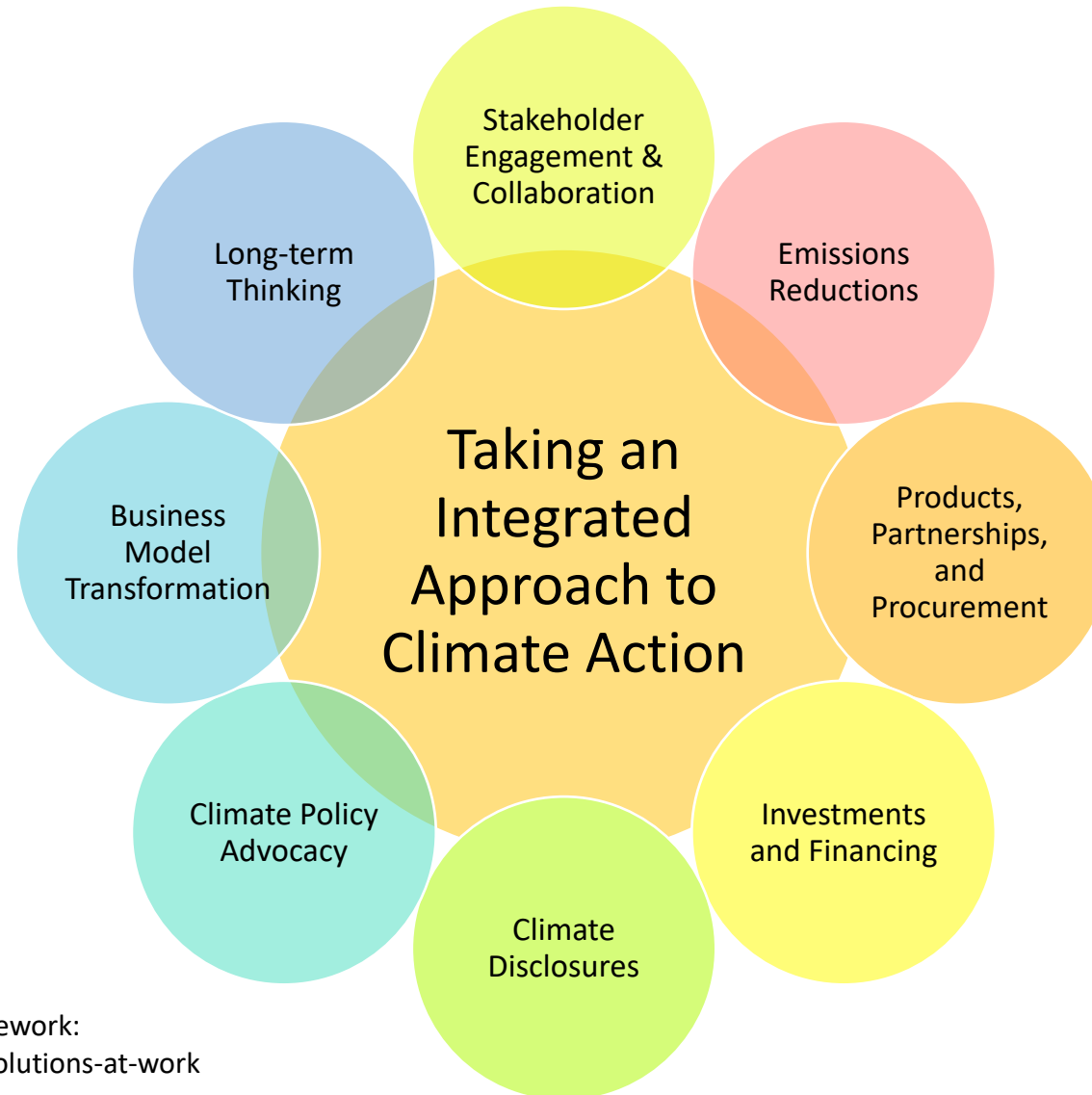
# HOW ARE CLIMATE COLLABORTIVE COMPANIES TRACKING IN THESE EFFORTS?

The 2022 Tracking Progress Survey asked questions to help establish a baseline of the ways in which companies are currently integrating their climate goals into their overall operations.

- The results of the survey showed that half of the responding companies have trained more than 80% of their staff on climate commitments
- 69% have made avenues available for all staff members to learn and engage in their climate work
- 85% are taking climate into consideration when designing new products or offerings
- 90% of companies said they have informed their board or other stakeholders about their climate commitments
- 75% of respondents indicated that climate action is part of their overarching business strategy



# AN INTEGRATED APPROACH TO CLIMATE ACTION



Credit: The Drawdown-Aligned Business Framework:  
<https://drawdown.org/publications/climate-solutions-at-work>





# INVESTMENTS AND FINANCING



## Investments and Financing

- Offer employees climate-friendly retirement plans and investment opportunities
- Push banks and asset managers to align investments with the Paris Agreement
- Pressure insurance companies to stop underwriting and investing in carbon-intensive projects

# Climate Action for Business

## Climate Action for Business

May 9 & 10 (half-days)



**Leeds School of Business**  
UNIVERSITY OF COLORADO BOULDER



Are you ready to fill in the gaps in  
your climate knowledge?

Join the Climate Collaborative & CU Leeds  
School of Business for a fast-paced two half-day  
course covering the essentials of climate action.

**REGISTER TODAY**

CANOPY

# Support for employee climate efforts at home

Engage employees creating a better quality of life and driving real carbon reductions





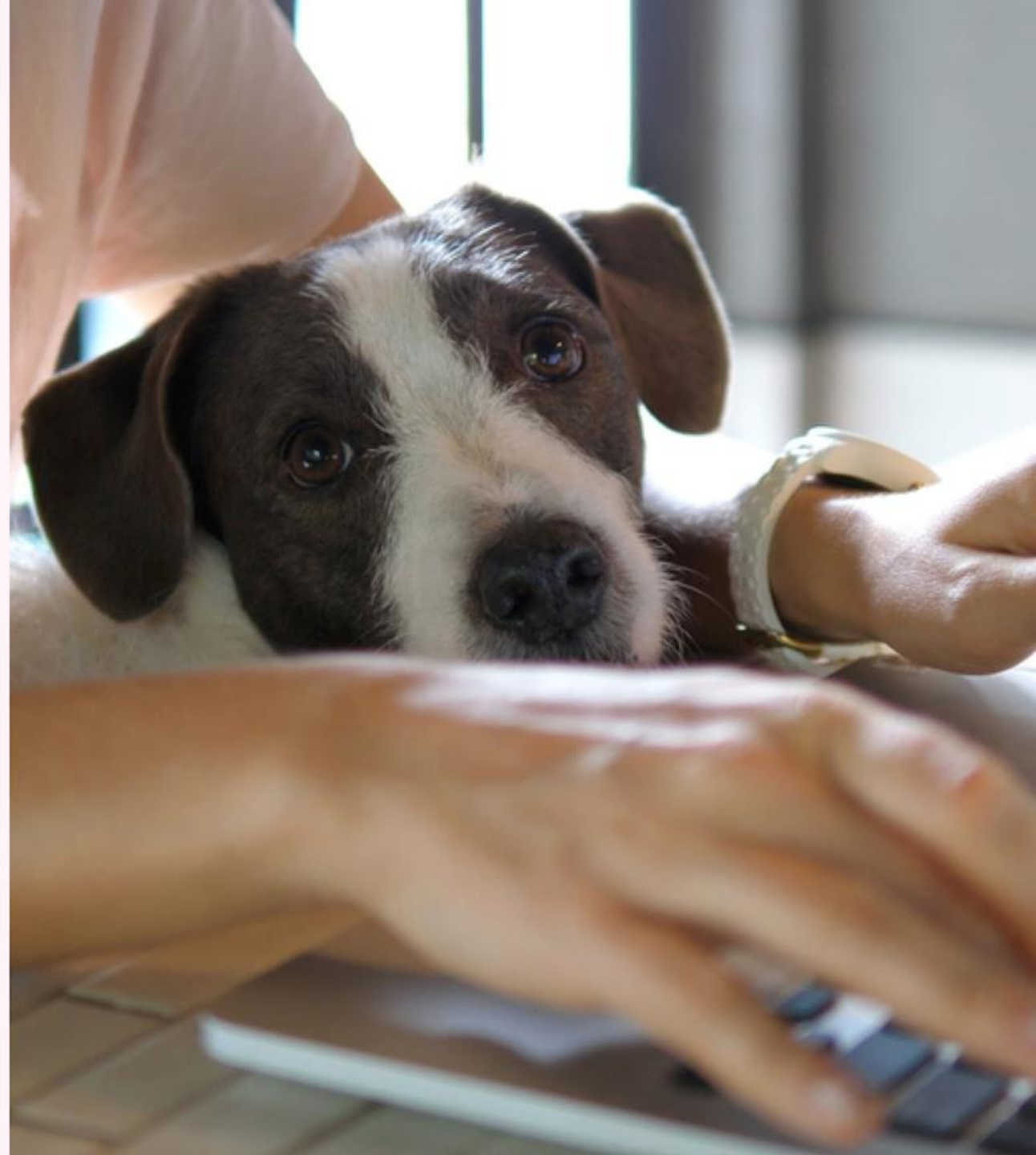
# Climate change is impacting your team

73% of Americans say climate change is **affecting their health** and nearly 60% of young people are **experiencing climate anxiety**.

# Increase employee job satisfaction

Nearly 90% of employees engaged in their company's sustainability work say it enhances their job satisfaction and overall feelings about the company.

Study by The National Environmental  
Education Foundation





# Attract talent aligned with company values

2 in 3 workers would give preference to jobs at  
environmentally responsible organizations

IBM Institute for Business  
Value Survey 2021



# Achieve business and climate goals

Businesses with highly engaged employees see **higher customer satisfaction**, have **lower turnover rates**, and **outperform in terms of CR** (Corporate Responsibility) **impact and ROI** (return on investment)...[and] are better positioned to **anticipate and adapt to changing market conditions**.

PWC The keys to corporate responsibility and employee engagement





# Make sustainability simple and actionable

The dimensions of sustainability engagement that have the biggest impact on employee engagement are **whether an employee can incorporate sustainability practices into his or her job or personal life.**

## Company Dashboard

### TEAMMATES

**15** participating  
4 pending

### ENGAGEMENT

**47%** of employees completed onboarding  
21% reduced emissions

### AM EMISSIONS

**1.7** tons CO<sub>2</sub>/yr

31.3% from 89.9 tons/yr

### EMISSIONS BREAKDOWN



### TEAM LEADERBOARD

Teammates with the biggest impact on their carbon emissions

1. Vicky Volvovski
2. vicky+whitespace@canopyclimate.com
3. Daniel Roman
4. vicky+zero@canopyclimate.com
- 5.

+ Invite teammates

+ Grant b



CANOPY

## Dashboard

### YOUR EMISSIONS

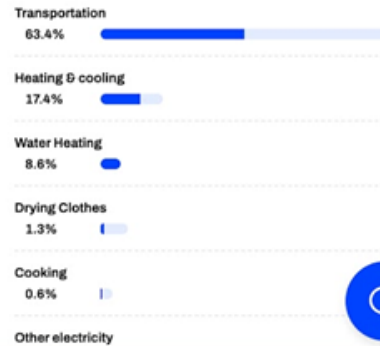
**5,278.0** lbs CO<sub>2</sub>/yr

↓ 60.7% from 13,432.0 lbs/yr

You  
US avg

### EMISSIONS BREAKDOWN

Lbs CO<sub>2</sub>/yr | Methodology



CANOPY

We help reduce carbon emissions as you invest in your company's most valuable asset – your people

# Canopy works with companies to speed up decarbonization among employees

There are a 1 billion machines burning fossil fuels in U.S. households. That's 1 billion opportunities to draw down emissions.

## COMPANIES GET ...

### Real reductions

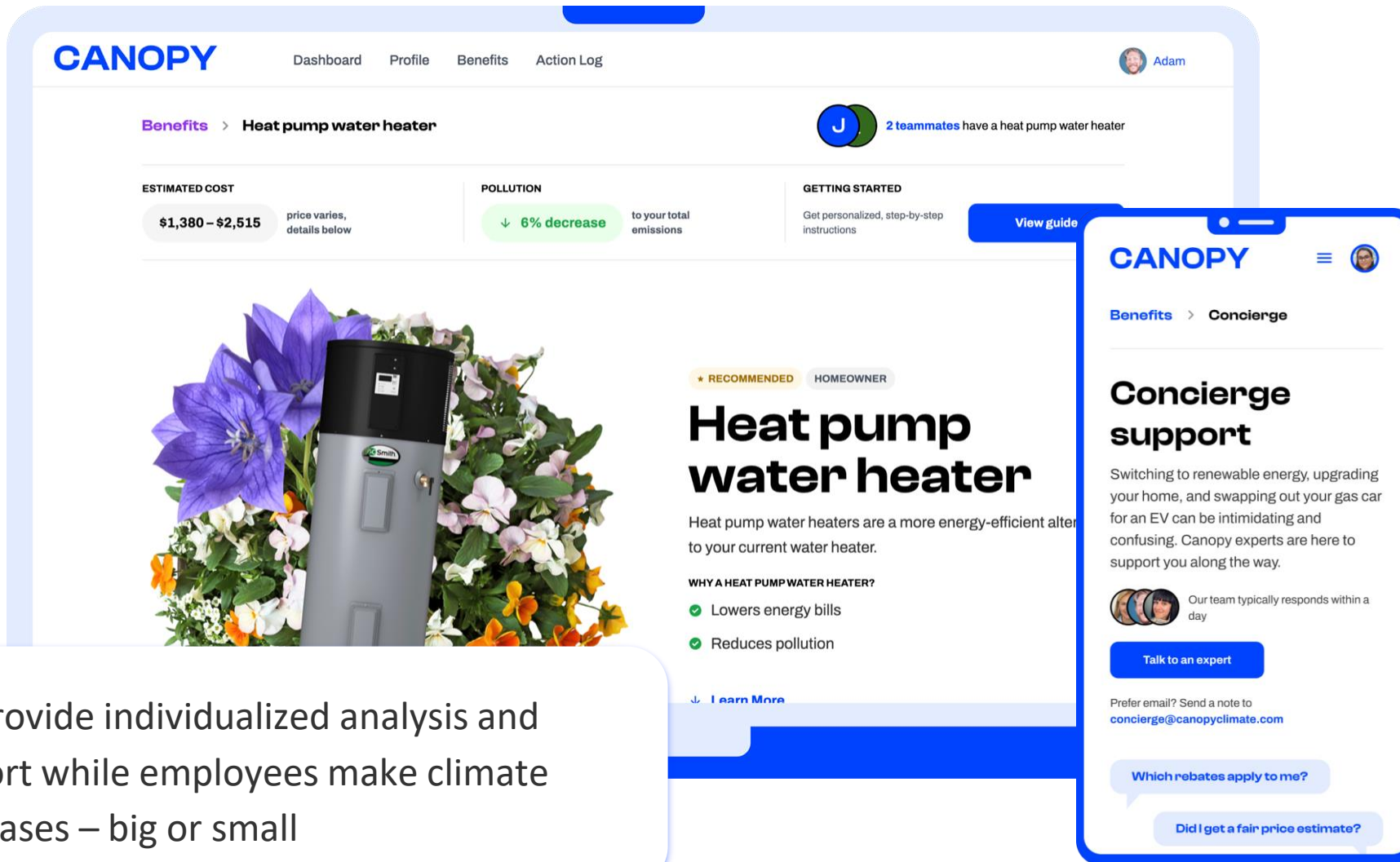
Proactively reduce employee carbon emissions, leaving less to offset

### Emissions reporting

Understand your Scope 3 emissions from commutes and remote work

### Engaged employees

Engage a workforce that wants to see its leaders take climate action





Deploying **clean residential technology** can reduce a single home's emissions by **thousands of pounds a year.**



# Improve health, safety, and more

Home electrification doesn't just help the environment – it can also improve your employees' lives. We highlight 12 different benefits to each upgrade so homeowners and renters can understand their options.



**Pollution**



**Health & safety**



**Comfort**



**Maintenance**



**Lower bills**



**Energy resilience**



**Home value**



**Performance**

Our team has already used Canopy to **reduce our individual emissions by 10%** and we hope to get to 30% in the next year.

Canopy's platform is very user friendly and they're making what could be painful transitions into activities that **are motivating, fulfilling, and surprisingly fun!**"



**– Dave Finocchio**  
CEO, The Cool Down





**Act as a team**

**to create a**

**healthier world**

**CANOPY**





Save the future  
while saving for yours.

**Alex Wright-Gladstein**

Founder and CEO

April 13, 2023

Sphere is a registered public benefit corporation



# People don't realize the massive climate impact of their finances.

## There's a climate crisis in America.

\$1.5 Trillion is invested in fossil fuel companies via U.S. retirement funds.

[Source](#)

## There's a financial crisis in America.

"America's \$7 Trillion Retirement Crisis Is Only Getting Worse"

[Source](#): Bloomberg

# The first platform for tracking and improving your 401(k) climate impact.

The climate crisis and the financial crisis can help fix each other.

**When people put their finances toward climate, their impact skyrockets.**

Over 82% of Americans are worried about climate change, and a single 401(k) plan can move \$2B out of the fossil fuel industry.

Source

**When people have climate-friendly options, contributions skyrocket.**

Adding a climate-friendly offering to one plan has increased participation by 52% and monthly contributions by 230%.

Source: BW Research

# My story

- Founding CEO of MIT climate tech spinout Ayar Labs
- Looked for a climate-friendly option in the Ayar 401(k) plan
- Founded Sphere to make it easier for others than it was for me





# The Sphere 500 Climate Fund (SPFFX)

We **don't** invest in fossil fuels.

We **do** vote shares for the planet.

**SPFFX checks  
all the boxes for  
fiduciaries**

✓ **Affordable**

Expense ratio: **0.07%**

✓ **Improved economics**

Excluding fossil fuel companies has lowered risk and improved returns.

✓ **Simple to start**

SPFFX can be added to any 401(k) or 403(b) plan, so you don't have to switch providers.

Before investing in the Sphere 500 Climate Fund ("SPFFX"), consider the fund's investment objectives, risks, charges and expenses. As with all investments, there are risks involved with investing in SPFFX. Risks include, but are not limited to, sustainability considerations, general market or market event, and common stock risks. To obtain a prospectus or summary prospectus which contains this and other information, please visit <https://oursphere.org/fund> or talk to your financial advisor. Read it carefully before investing.

The Sphere 500 Climate Fund tracks The Sphere 500 Fossil-Free Index. The Sphere 500 Fossil-Free Index starts with the top 500 US companies by market capitalization and then excludes those companies designated as participants in the fossil fuel industry. The Sphere 500 Fossil-Free Index will not invest in companies whose main lines of business include producing, distributing, or refining fossil fuels, holding reserves of fossil fuels, utilities that are primarily fossil fuel-powered, and producers of equipment for any of the above. However, the fund may invest in companies that use fossil fuel as a part of their business or have used fossil fuels in the past. The performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Index returns do not reflect the effects of fees or expenses. It is not possible to invest directly in an index. Current performance may be lower or higher than the performance data quoted. For the most recent month-end performance, please call 844-2-SPHERE or visit the fund's website at <https://www.oursphere.org/fund>.

Index performance is discussed for illustrative purposes only as a benchmark for each strategy's performance and does not predict or depict performance of that strategy. While index comparisons may be useful to provide a benchmark for a strategy's performance, it must be noted that investments are not limited to the investments comprising the indices. Each of the strategy benchmark indices are unmanaged and cannot be purchased directly by investors. Past performance does not guarantee future results. No portion of the content should be considered a solicitation to buy or an offer to sell shares of the fund in any jurisdiction where the solicitation or offer would be deemed unlawful under the securities laws of such jurisdiction. The Sphere 500 Climate Fund is distributed by Vigilant Distributors, LLC, member of FINRA and SIPC, which is not affiliated with Sphere or SPFFX. NOT FDIC INSURED NOT BANK GUARANTEED. MAY LOSE VALUE.

# Climate-friendly investing unlocks pent-up demand for climate action

## Divestment elevates the issue

Money talks - it shines a spotlight on issues

## Voting shares creates lasting change

Voting shares at every major public company for true climate action creates lasting change and protects the long-term value of those companies

## The market is ready for a new kind of 401(k) fund

Demand for values-aligned investing has grown dramatically over the past decade, growing 84% just last year. 401(k)s are primed to catch up.

### ESG investing outside of 401(k)s

33%

### ESG investing in 401(k)s

<1%

[Source](#) [Source](#)

## Excluding fossil fuels aligns with fiduciary requirements

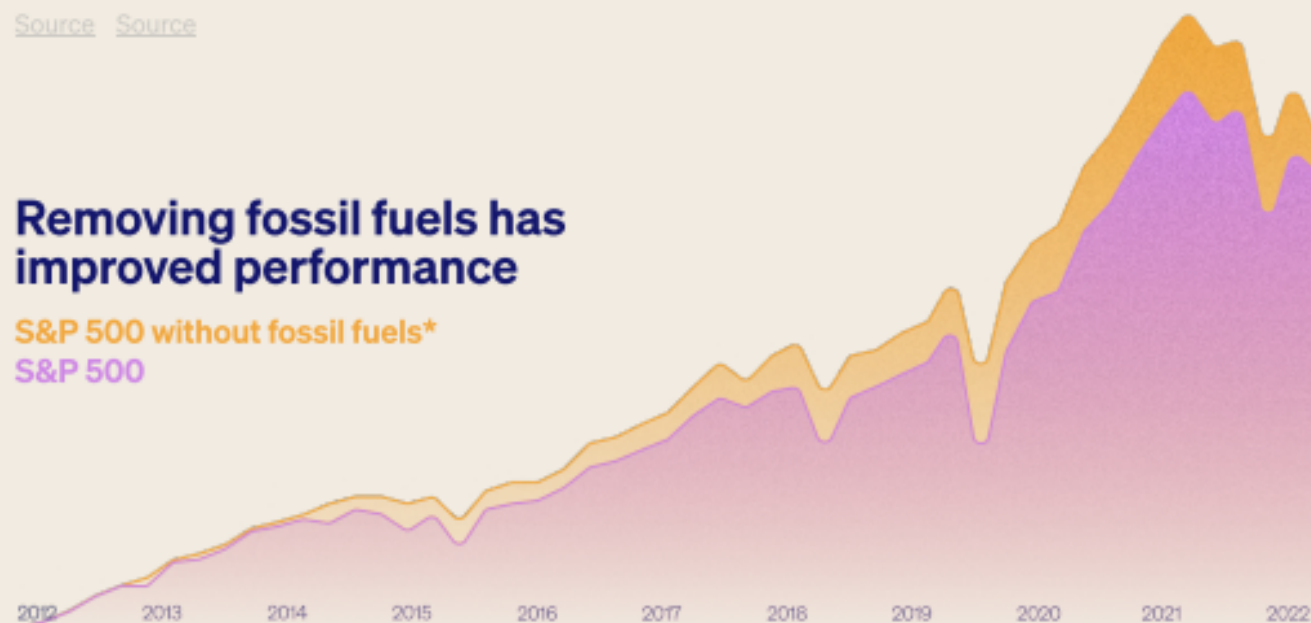
Fossil fuels have historically underperformed over retirement timescales. The fossil fuel sector has been the most volatile sector in the S&P 500.

[Source](#) [Source](#)

## Removing fossil fuels has improved performance

S&P 500 without fossil fuels\*

S&P 500



\* Energy sector removed from the S&P 500. Source: S&P 500 Ex-Energy Index. Inception date 12/31/2012. Past performance is no guarantee of future results.



# The AtmoSphere is a platform for climate-friendly 401(k)s for all

## Enterprise

### 401(k) emissions insights

Accounting of company emissions attributable to retirement plans and insights on how to improve them, from both the sustainability and the fiduciary perspectives.

### Turnkey product

Turnkey tool designed to be integrated via API into existing emissions accounting tools, so that emissions software companies do not have to build out their own 401(k) expertise. Enterprise SaaS and licensing revenue model.

### Climate investing

Financial products that are easy to integrate into existing 401(k) plans to reduce emissions.

## Consumer

### Financial impact insights

The first tool for amplifying the massive impact your finances have on climate, starting with 401(k)s.

### Track climate influence—voting your shares and inspiring peers/companies

See a history of your shares auto-voting for the planet at shareholder meetings. Track how your activism gets peers and companies to change.

### Climate investing

Take easy actions to put your money in climate-friendly funds like the Sphere 500 Climate Fund.



# Additional resources at [oursphere.org](https://oursphere.org)

## The 401(k) fund lineup decision-making process



Get started

← How it works

Get started

## Email your HR

### Sample letter to email HR

Your Human Resources manager is one of the main decision makers for choosing which 401(k) options are available. Get the ball rolling by emailing them now.

Dear Benefits Manager,

Can we please add a climate-friendly investment option to our 401(k) line-up? I'd like an option to invest our retirement savings without investing in fossil fuel companies, and to have the shares I own voted for a positive climate future. The inclusion of fossil fuel companies in our current plan options adds unnecessary **risk and volatility** to our holdings from a purely financial perspective.

In particular, the [Sphere 500 Climate Fund \(SPFFX\)](#) is an affordable option that avoids fossil fuels and



Thank you

[alex@oursphere.org](mailto:alex@oursphere.org)





# SPEAKERS



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Executive Director,  
Climate Collaborative



**Lauren Fraser**  
Co-founder,  
Canopy



**Alex Wright-Gladstein**  
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