

# Setting a GHG Reduction Goal The Second Time Around



*tomorrow's legacy today*

SUSTAINABILITY



Climate Leaders March 22, 2007

# SC Johnson Core Values

- Commitment to Family
- Innovation is Fundamental
- Superior Partners
- Global Brands that Win
- Spirit of Leadership and Adventure
- Environmental Leaders



# Environmental Leaders



**World Environment Center  
Gold Medal**



**Wisconsin Partners for  
Clean Air**



**Presidential Green  
Chemistry Award**



**Wisconsin Business Friend  
of the Environment**



**EPA Lifetime Atmospheric  
Achievement Award**



**Recognized for Greenlist**



# Environmental Leaders



**Was the day**  
Learn more about our 2011 generalist  
employee of the month award.

**History of Doing What's Right**  
Find out more about our long history of  
social and environmental responsibility.

**2011 SC Johnson Public  
Report**  
Download our 2011 corporate social and  
environmental report.

**Word From Chairman  
and CEO Fisk Johnson**  
Read what Fisk Johnson has  
to say about our strategy.

**SC Johnson's Goalist™**  
See how we set goals and track our  
progress on our most important  
initiatives.

**Creating Value**  
Discover how SC Johnson creates  
value for our shareholders, customers and local  
communities.

**Home Services**  
Take a closer look at some of our  
specific sustainability development  
initiatives.

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“Success is only truly achieved when we do what’s right for everyone.” In an interview, Jeffrey would be proud to share: “All of us are built together. We are fundamentally united, dependent on the care of the resources and diversity that we hope to preserve and sustain.”

— J. H. Fisk Johnson, Chairman and CEO – SC Johnson



At the end of the day,  
shouldn't it be about  
**doing what's right.**

**SC Johnson Honored with Presidential Award for Corporate Leadership**  
[Click here for details](#)



Photo: SC Johnson's Chairman and CEO Fisk Johnson receiving the award from a woman during a White House event.

At SC Johnson, our Environmental Strategic Plan is an objective in the Corporate Strategic Plan



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# SC Johnson Climate Leaders Goals

## Aggressive First Time Goals

2000 - baseline

Includes all US facilities owned or leased

### Indexed – to production

- Achieve a 23% reduction in GHG emissions as a ratio to production by 2005

### Absolute reduction

- Achieve an 8% absolute reduction in GHG emissions by 2005

How would we achieve this?

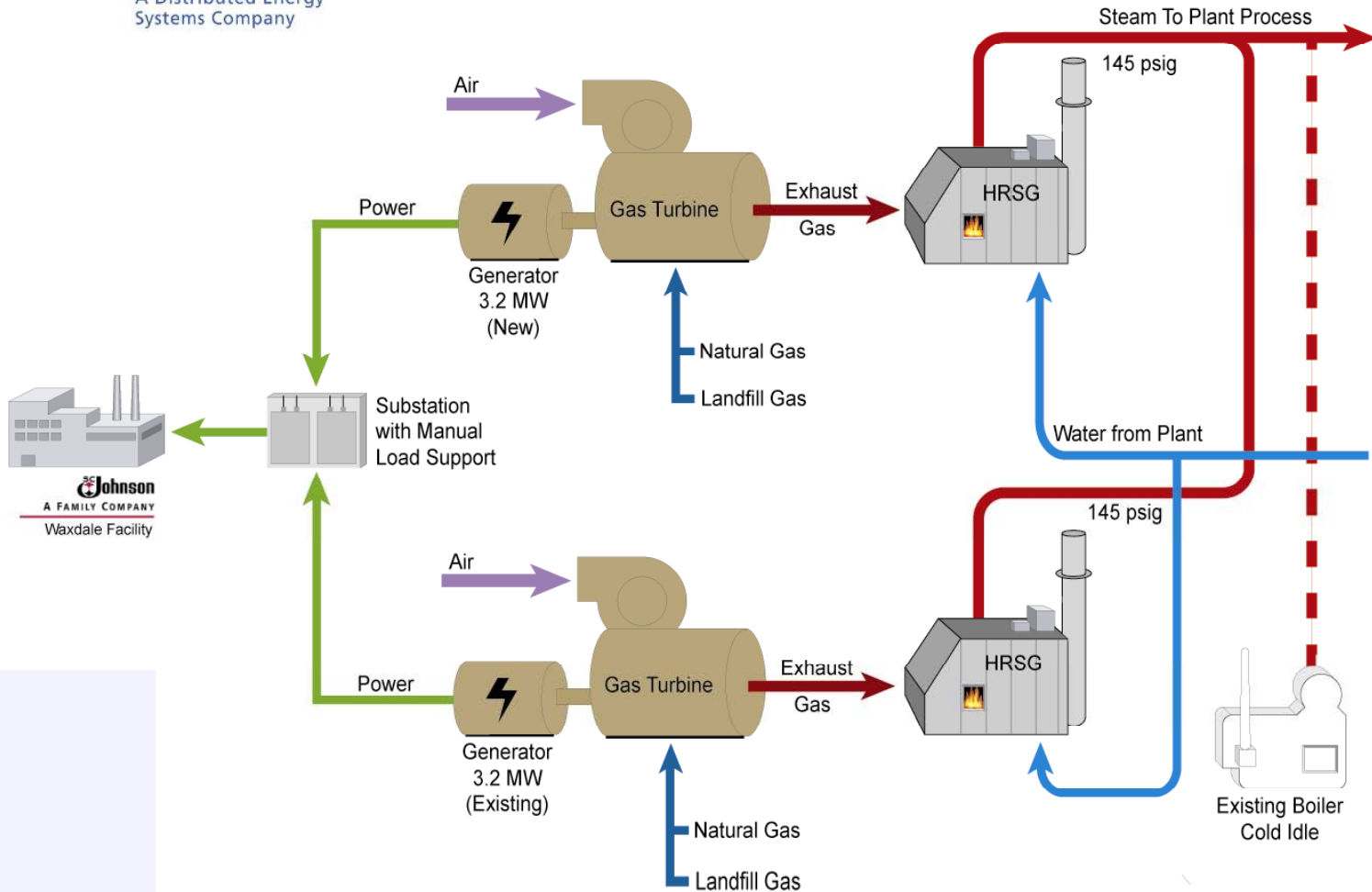


# Cogeneration: From Methane to Megawatts



## NEW ON-SITE ENERGY GENERATION

Base Load Power  
with WE backup



# Cogeneration: From Methane to Megawatts

Use landfill gas and natural gas to make electricity and steam for SC Johnson's largest global manufacturing facility in Racine, Wisconsin

- Produces Waxdale's average base load of electricity
- Produces over 50% of Waxdale's steam
  - Idle one 40 year boiler + limited use of another
- Total GHG reduction of 52,000 tons/yr
  - Equal to taking 5,200 cars off the road annually
  - Equal to returning 298 railroad cars full of coal to the ground annually



Thu Nov 6 12:00:01 2003





Mon Aug 22 14:00:00 2005



# Climate Leaders Goal - Results

<u>Year</u>	<u>Normalized</u>	<u>Absolute</u>
<b>2005 Goal</b>	<b>23%</b>	<b>8.0%</b>
<b>2005 Actual</b>	<b>24%</b>	<b>17.4%</b>



# SC Johnson Climate Leaders Goals

## 2<sup>nd</sup> Time Around

### So What's Next?



# SC Johnson Climate Leaders Goal

- What should our goal be this time?
- What's the timing for the goal?
- How are we going to meet the goal?



# Technical Analysis

- Update GHG emissions inventory
- Need to adjust for acquisition
- Look at all sources – identify largest/best opportunities



# Technical Analysis

- For largest/best opportunities evaluate green energy options. Conduct feasibility studies at each.
  - Technical feasibility
  - Economic/business case



# Technical Analysis

- Identify viable GHG reduction options
  - Acceptable Projects
  - Projects for additional consideration
- Estimate total GHG reductions feasible



# Technical Analysis

- Establish GHG reduction goal
  - Absolute or indexed
  - Baseline year
  - Goal year
  - Evaluate impact of growth





# Corporate Analysis

- Look at leadership positions
  - Actual goals of other leaders
- Seek Stretch goals - considering past accomplishments



# Sustainable Leaders GREENHOUSE GAS GOALS

	SCJ	XX	XXX	XXX	XXX	XXX
Global Mfg GHG Reduction	<b>12%</b> <b>2000-2010</b> <b>Absolute</b>	10% 1990-2010 Absolute	5% 1990-2010 Absolute	15% 2001-2010 Indexed	10% 1990-2010 Absolute	15% 2004-2015 Absolute
Global Renewable or Green Electricity	<b>40% total</b> <b>by 2010</b> <b>↑33%</b>	No	No	↑10% 2005	No	10% total by 2010
US Climate Leader GHG Reduction	<b>8%</b> <b>2005-2010</b> <b>Absolute</b>	No	No	15% 2001-2010 Indexed	No	15% 2004-2015 Absolute



# Corporate Analysis

- Business Analysis
  - Potential business growth
  - Possible additions or subtractions
  - Impact of new products or changes in existing products
  - Make business case for goal



# Corporate Commitment

- Senior Management Goal Review
- Finalize Goal
- Communicate Final Goal
- Confirm Responsibilities to meet.
- Establish Plans to meet.
- Track progress



# Climate Leaders – Goal Approval

- Contact Climate Leaders
  - Propose new goal – basis new Corporate US goal
  - Provide background and basis
  - Participate in analysis process
  - Arrive at approved second Climate Leaders Goal



# SC Johnson New Climate Leaders Goal

- Achieve an **8% absolute reduction** in US GHG emissions by the end of 2010.
  - 2005 is the baseline.
  - Repeats ambitious 8% absolute goal of 2000-2005
  - Includes all US facilities owned or leased



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