

Sustainable Compliance: How Protingent Met Microsoft's **GHG Emissions Reporting Requirements with Good.Lab**

COMPANY

Protingent www.protingent.com INDUSTRY **IT & Engineering Staffing** Services

GHG Emissions Calculation & Reporting

Scope

The ESG Challenge

In efforts to address pressing environmental challenges and growing demand for eco-friendly products and services leading companies have set aggressive sustainability and climate goals. In their efforts to align their business strategies to evolving societal and regulatory expectations around ESG, new expectations are trickling down the value chain to suppliers, like Protingent, as requirements for doing business.

Microsoft, in particular, has committed to becoming carbon negative by 2030. Their Supplier Code of Conduct includes environmental criteria, and they are working with suppliers to reduce their emissions. Accordingly, Microsoft expects its suppliers to disclose complete, consistent, and accurate scope 1, 2 and 3 greenhouse gas (GHG) emissions data, set goals to reduce absolute GHG emissions, and requires third-party assurance over such disclosed emissions data to ensure confidence in the data and methodology. In 2022, they also introduced a new service level calculation methodology for suppliers.

With new supplier reporting requirements for their GHG emissions, Protingent needed an experienced solution partner with climate expertise and the right tools to streamline their emissions management processes. With a pragmatic approach, inhouse experts, and scalable software solutions, Good Lab proved to be the right partner to support Protingent in producing an accurate GHG emissions baseline across Scopes 1, 2, and 3, calculating their service level emissions, and providing guidance in setting targets for emissions reduction to comply with Microsoft's requirements.

Good.Lab has been instrumental in guiding Protingent through complying with Microsoft's supplier code of conduct, particularly in meeting the complex emissions reporting requirement. Their expertise and support have enabled us to accurately measure, track, and report on our carbon footprint, reinforcing our commitment to sustainability. I look forward to a continued relationship with Good.Lab as our sustainability partner.

Tim Bruce



Protingent's GHG Emissions Project with Good.Lab

Protingent engaged Good.Lab to meet Microsoft's supplier requirements to calculate the company's GHG baseline and service level emissions and explore opportunities to reduce their emissions.

GHG Emissions Calculating

The initial phase of Protingent's engagement with Good.Lab consisted of calculating their baseline emissions. Good.Lab's climate experts worked closely with Protingent's team to review their historical emissions data. Protingent had previously calculated only their Scope 1 and 2 emissions when they first developed a baseline in 2019, so they needed to recalculate this data to include Scope 3 in their baseline as required by Microsoft.

Next, Protingent used Good.Lab's <u>Emissions Calculation Software</u> to calculate their latest calendar year GHG emissions footprint (2022) across Scopes 1, 2, and 3. In addition to performing the calculations, Good.Lab's ESG Platform was able to store multi-year GHG data enabling future progress tracking on emissions performance.

Service Level Emissions Accounting

As a new supplier initiative, Microsoft introduced service level emissions accounting to help them evaluate the emissions produced by individual suppliers in delivering a specific service to Microsoft. These emissions fall under Microsoft's Scope 3 and allow them to track supplier's performance to their Scope 3 reduction target. This service-level evaluation is a complex calculation, as it involves understanding the carbon footprint of many different processes and services. As a specialized consultative service, Good.Lab helped Protingent calculate their service level emissions in order to support their compliance requirement.

Emissions Target Setting

Once a comprehensive baseline was produced, Good.Lab recommended specific strategies to Protingent to reduce their emissions from their 2019 baseline to align with Microsoft's own reduction targets.

The Result

In a three months long engagement with Good. Lab, Protingent's gained access to powerful ESG software tools and experienced climate consultants who guided their journey through GHG Emissions Footprint measurement on to reporting directly to Microsoft. Accordingly, they were able to submit accurate GHG emissions data to comply with Microsoft's Supplier Code of Conduct and maintain a healthy business relationship.



GHG Emissions Baseline for 2019, 2022

Service Level Emissions Calculations



Data source tracker for future GHG Footprint

Educational tools for Scopes 1, 2, 3 GHG Footprint



Recommended GHG emissions reduction strategies

PROTINGENT

Protingent is an employee owned (ESOP) technical staffing firm founded in 2001. They specialize in providing IT and engineering professionals for all areas of product design, development, and testing. They are based in the Pacific Northwest and serve many of the leading technology companies in the U.S. They work with several community service organizations with the aim of encouraging and supporting the next generation of innovators.

goodlab

Good.Lab aims to create a more equitable and sustainable economy by unleashing the power of Environmental, Social and Corporate Governance (ESG) data. Companies today are increasingly evaluated on a long-term commitment to delivering positive outcomes in their communities, on the environment, to their workers, customers, and shareholders. Good.Lab helps companies supercharge their ESG performance and turn sustainability into a competitive advantage through a combination of ESG performance software and expert consulting services. Good.Lab is a 1% for the Planet member and a certified B Corporation.

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