Corporate ESG and Sustainability Practice





Environmental, social, and governance (ESG) considerations have become an increased area of focus and importance for our clients, their governing boards, shareholders, and customers. Ashworth Leininger Group (ALG) provides technical expertise, practical acumen, and resourceful project execution essential in managing the novel challenges and opportunities associated with ESG issues.

Our Strengths

- Greenhouse gas (GHG) quantification and third-party auditing, providing a transparent and defensible basis for corporate ESG programs
- A deep understanding of the complex web of ESG -related frameworks, standardsetting bodies, and ratings organizations, including international ESGrelated regulatory requirements
- Accurate, defensible, and transparent life cycle analyses and climate risk assessments that are essential to managing ESG design and integration
- Technical assistance to corporate management, financial institutions, and legal counsel in crafting ESG policies and initiatives, either as part of the management team or in our role as independent auditors or strategic advisors.
- Evaluating and documenting GHG emissions reductions from the application of new, innovative GHG reducing technologies and the technical basis and analyses necessary to secure tradeable credits in carbon credit markets.

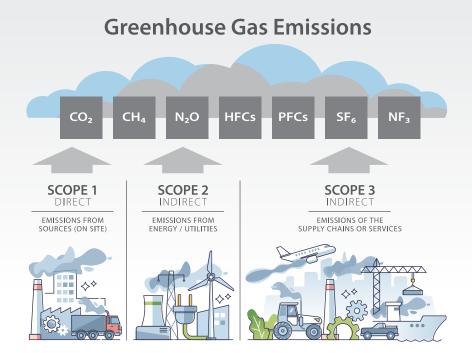
Our Team

ALG's dedicated ESG team includes former corporate environmental directors, credentialled GHG auditors, and environmental and process engineers who have guided ESG analyses and disclosures for a broad spectrum of industrial, commercial, retail, and manufacturing clients.

Our Expertise

GHG Inventories

Accurate, defensible, and transparent GHG inventories are the cornerstone of a corporate ESG program. ALG staff have a deep understanding of the engineering and process data that drive these inventories. Greenhouse gas emissions are separated into three categories, termed Scope 1, Scope 2, and Scope 3. Scope 1 emissions come directly from an industrial process. Scope 2 emissions are attributed to purchased electricity, steam, heating, and/or cooling, which may be generated onsite or off-site. Scope 3 emissions occur outside of organization boundaries and include emissions from upstream and downstream activities resulting from a business's activities. Provided below is a helpful schematic of these inventory categories.



ALG leads the industry, having prepared or audited over five hundred GHG inventories representing every major class or category of GHG emissions sources in the United States. Our technical understanding and broad experience allow us to efficiently execute GHG inventories that have been recognized by our clients and regulators as accurate, cost-effective, and transparent.

Life Cycle Assessments

Properly designed and executed, a Life Cycle Assessment (LCA) quantifies environmental impacts, analyzes opportunities for improvement, and identifies environmental risks associated with manufacturing and delivering a commercial product to market. This assessment starts with raw material extraction, includes each step in the supply chain process, and stops at end-of-life waste management. When properly prepared, this assessment will confirm the carbon footprint of a particular manufacturing or commercial product and illuminate how the process can be managed to achieve corporate sustainability goals.

ALG's dedicated ESG practitioners have helped clients in both emerging businesses and established industries navigate through carbon credit program requirements. ALG builds LCAs for new products and audits LCAs for existing processes and products. We leverage our technical and engineering expertise, as well as knowledge of LCA tools and software, to properly define the Carbon Intensity for a particular process. Once certified, our clients have the ability to generate GHG reduction credits from their business activities and sell the credits competitively in a carbon credit marketplace.

Carbon Credit Market Analysis and Optimization

The carbon credit market offers companies the potential to monetize GHG emissions reductions if they:

- Voluntarily reduce GHG emissions below a regulatory standard or limit;
- Produce a low carbon fuel with a carbon intensity below a Low Carbon Fuel Standard (LCFS) benchmark; or,
- Remove GHG emissions from the atmosphere (e.g., carbon capture and storage/sequestration).

Once established, carbon credits are tradeable, either through agency Cap-and-Trade or LCFS programs, or private carbon trading exchanges such as AirCarbon Exchange (ACX) and CBL Markets (Xpansiv). ALG's technical expertise allows our clients to navigate through GHG credit schemes and select the scheme that best matches the benefits of an emerging technology, carbon-neutral fuel, or capture/sequestration opportunity. Our team includes senior staff who have assisted agencies in the design of emission credit markets and cap-and-trade programs and have managed scores of projects to generate GHG and emission reduction credits. ALG staff have provided complete services, from design and implementation of sustainability initiatives to the testing, quantification, and certification of the credits. Coupled with our practical experience with commercial and agency credit programs, we offer our clients turn-key program management for carbon reduction opportunities.

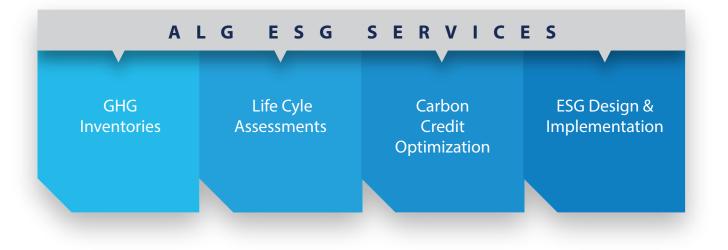
ESG Design & Implementation

Gap Assessments: ALG routinely provides gap assessments so our clients can determine the effectiveness of their efforts in achieving corporate sustainability goals. ALG's gap assessments benchmark corporate sustainability strategies and ESG targets and either confirm that the company is on the right path to achieving its goals or identify opportunities for improvement. We understand that every organization has a unique path to sustainability; accordingly, we recommend implementing focused and sequential gap assessments to achieve success. It is our direct experience that this approach is more cost-effective and provides greater strategic benefits than a company-wide GHG analysis. We develop thoughtful gap assessment recommendations that can be easily implemented, leverage existing corporate data, reduce project or operating costs, and minimize risks inherent in advancing new corporate sustainability goals.

Emissions Verification for Sustainability Reports and Other Public Disclosures: Over the past twelve years, ALG has conducted over five hundred GHG audits of industrial, commercial, fuel supplier, and logistics/transportation firms. Our engineers and scientists are recognized as experts in the quantification and verification of GHG emissions, having developed auditing templates that meet the most stringent agency verification procedures and protocols. Our client work has been audited by state agencies, who have singled out ALG's work product as representing best practices among firms that provide these services.







For additional information about our ESG & Environmental Sustainability consulting services, please contact one of our experts:

Bart Leininger, P.E. Principal (805) 764-6012 bleininger@algcorp.com **Elliott Ripley** Sr. Environmental Engineer (805) 764-6004 eripley@algcorp.com **Irra Core, Ph.D.** Sr. Environmental Engineer (805) 764-6006 icore@algcorp.com



OFFICES IN:

- Houston
- Los Angeles
- San Francisco