

# Of Carbon-Free Profits And Staggering Challenges

*It Mars candies and pet foods are powered in part by the Moy  
's Wind Farm in Scotland. Mars Corporation*

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Mars Corporation, for example, has signed power purchase agreements with wind farms in Texas, Mexico and Scotland and with a solar farm in Australia. In each case, the agreement covers 100 percent of the power demand for the direct operations of a Mars facility.

“Part of what gives us the momentum is there’s a remarkable business case,” said Lisa Manley, senior director of sustainability for the confectionery and pet-food company. “We’ve got folks that are negotiating these deals and they’re doing it such a way that so far—knock on wood—we are ending up in a positive place financially, deal after deal after deal.”

□ Mars was one of the first companies to join the RE100 group of companies committing to 100 percent renewable energy. Another of those early adopters, Microsoft, has come to the same conclusion:

“Our renewable energy contracts are great contracts,” said Joan Krajewski, a Microsoft general manager who appeared with Manley yesterday at the U.S. Climate Action Center at [COP24](#), the climate conference underway in Katowice, Poland. “We have no problem with them from a business standpoint. And so it’s been really great for us.”

But electricity makes up a relatively small portion of the carbon footprint of a food company like Mars. □ About two thirds of its emissions from direct operations come from thermal energy, the energy behind heating and cooking, where clean energy has yet to make significant inroads.

“The other part of what we’re dealing with in our direct operations would be renewable thermal, and that’s trickier. So it’s about two-thirds of our direct carbon footprint, and we haven’t yet sort of cracked it,” Manley said in a forum sponsored by the Center for Climate and Energy Solutions and the Edison Electric Institute. Mars has been working with other corporations and non-governmental organizations, she said, to put a fire under efforts to develop clean thermal energy.

“Our hope is, just as we’ve been able to see the ambitions come together through a collective on renewable electricity, we’re going to be able to see that pivot with renewable thermal as well.”

If the thermal challenge is solved, Mars still has a long way to go because 75 percent of its carbon footprint comes from its agricultural supply chain.

“There you’ll see us taking action in agricultural supply chains to drive productivity and efficiency and climate-smart agricultural practices, and you’ll see us working together with a number of folks to sort of crack the nut on how do we measure the impact of land-use change and then how do we tackle deforestation, which is the largest element of land-use change that we have to contend with at Mars.”

### ***After the Jump: JP Morgan Chase***

Different companies have to contend with different challenges, but they benefit from different opportunities.

Three years ago, at the time of the Paris Climate Conference, JP Morgan Chase realized it was doing a brisk business financing renewable energy and green buildings. So it decided to do more, said Matt Arnold, the bank’s global head of sustainable finance. The company made a commitment to expand green finance, and it purchased wind energy from Texas equivalent to its electricity use.

But, Arnold said, to fully clean up its act, Chase has to get its clients to clean up theirs.

“Should a bank have an energy policy? Shouldn’t a bank just serve its clients?” he asked aloud. “Because we’re not talking about our emissions here, we’re talking about our clients’ emissions. And it’s not the people we’re buying from. It’s the people we’re selling to. Very different sort of relationship in the supply chain. I don’t know any other industry that’s routinely telling its clients what to do. It can be a challenging conversation, or you can choose not to bank that industry.”

Chase has begun a “gradual” departure from banking for the coal business, Arnold said. And like Mars and Microsoft the bank has found profitable opportunities.

“Our equivalent to that is green bonds, green finance,” Arnold said. Launched by the European Investment Bank and the World Bank Group, green bonds finance specifically identified projects like renewable energy, energy efficiency, green buildings, sometimes water conservation. “It’s a market that really came out of nowhere.”□

***Correction:*** This story originally misidentified Lisa Manley, the senior director of sustainability for Mars Corporation.

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