

Toolkit for Emissions Reduction

Getting started on your path to decarbonizing your business

At Kaiser Permanente, we understand that the health of our communities is linked to the health of our environment. Climate change, pollution, and resource depletion affect the air we breathe, the water we drink, and the care our communities receive. These are not just environmental issues. They are public health issues. As part of our broader mission to create healthier communities, we believe that reducing our environmental footprint can help people live healthier lives and support equitable health care.

As one of the largest health care providers in the United States, our environmental footprint goes beyond our facilities. It includes the products we buy, the services we use, and the partners we work with every day. Our suppliers play an essential role in helping us reduce emissions and protect health. That is why we are asking our suppliers to take meaningful steps to reduce carbon emissions and work with us toward a low carbon future.

This toolkit is designed to support our suppliers take climate action. It includes practical guidance, tools, and examples to support progress at every stage. We understand that reducing emissions can feel complex and challenging and this toolkit may make that work clearer and more achievable.

The actions in this toolkit are grouped as Foundational, Intermediate, and Advanced. This structure is meant to meet you where you are and help you move forward with confidence. Whether you are just beginning to measure emissions or already working to reduce them, this toolkit can help you take concrete steps toward a healthier, more sustainable future for all of us.

Kaiser Permanente's Climate Priorities for Suppliers

1. Baseline Carbon Emissions (Scopes 1, 2, & 3)
2. Measuring Your Scope 1 and 2 Emissions and Reduction Opportunities
3. Measuring Your Scope 3 Emissions and Reduction Opportunities
4. Establish an Emissions Reduction Goal that is Science-Based
5. Share Progress with Kaiser Permanente Annually
6. Publish Sustainability Metrics and Goals

Sustainability is a Journey
Sustainability is an ongoing process, and each organization is at a different stage of progress. No matter where you are on your journey today, we are here to support your work. The goal is continuous improvement rather than perfection. All organizations have opportunities to do more, especially as new tools, technologies, and policies become available.

To better understand your organization's current practices and identify next steps, review The Climate Drive's Maturity Journey. This resource can help you plan and strengthen sustainability efforts across your organization.

Making the Business Case for Investing in Sustainability
Adding sustainability into business operations can be difficult, even for organizations with clear climate goals. At the same time, these investments can provide strong business value. Sustainable and innovative products and services can support growth, encourage innovative ideas, reduce risk, and strengthen relationships with customers and suppliers.

Purchasing organizations are increasingly asking for sustainability information. Large health systems, including the NHS in the United Kingdom, now request data on emissions and certain chemicals. We are doing the same. These metrics are becoming part of standard procurement decisions and are used to evaluate suppliers.

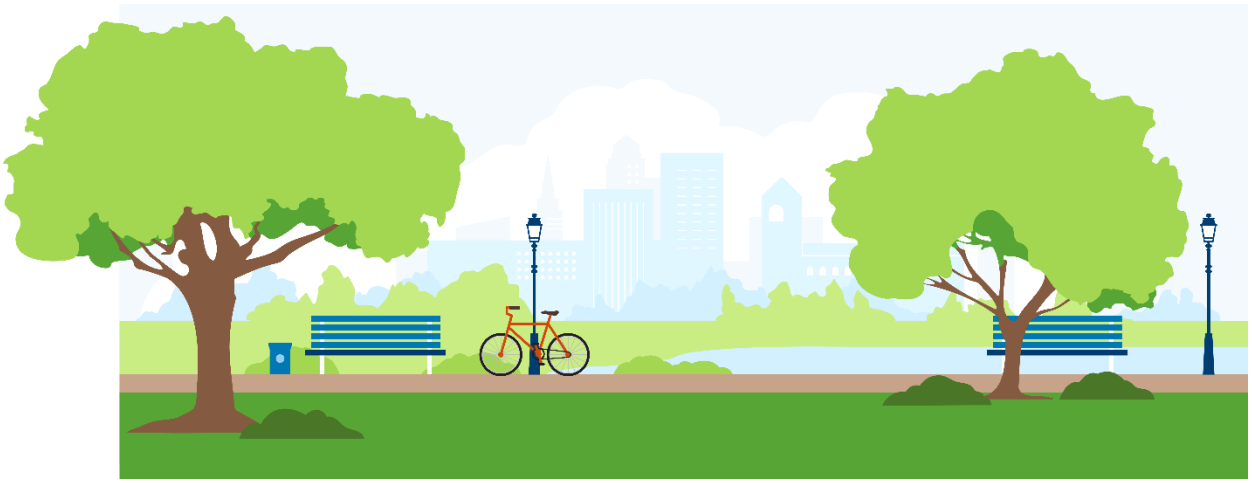
The resources below offer guidance on the business value of sustainability:

- Deloitte's Making the Business Case for Sustainability
- BSR's Beyond the Business Case Debate: Reasserting the Strategic Value of Sustainability
- KPMG's Building the Business Case For Sustainability Guidebook

Guidance

The actions in this toolkit are labeled as Foundational, Intermediate, or Advanced. These levels are meant to indicate two things:

- The typical order in which most organizations can tackle the work.
- The typical difficulty is associated with data, time, cross-functional coordination, and investments needed. Many organizations will iterate (e.g., do one advanced action in a priority area while still building foundational capabilities elsewhere) as needed or recommended by frameworks or customer requests.



1. Baseline Carbon Emissions

We recommend taking the following steps to help you start understanding your carbon footprint:

1. **[Foundational] Collect Data**: Gather data on energy usage, transportation, waste generation, and raw material sourcing, which are common contributors to emissions in health care supply chains.
2. **[Foundational] Use Assessment Frameworks & Tools**: Use tools like the Greenhouse Gas (GHG) Protocol to quantify emissions across Scope 1 (direct emissions), Scope 2 (electricity-related emissions), and Scope 3 (supply chain emissions) – more assessment tools can be found in the Resources section of this toolkit.
3. **[Foundational] Establish a Baseline:** Calculate total emissions for a specific year to create a baseline for tracking progress and setting reduction goals.

4. **[Intermediate] Identify Key Emission Sources:** Analyze the data to determine the largest emission sources, such as energy use in manufacturing or transportation, and prioritize areas for reduction.

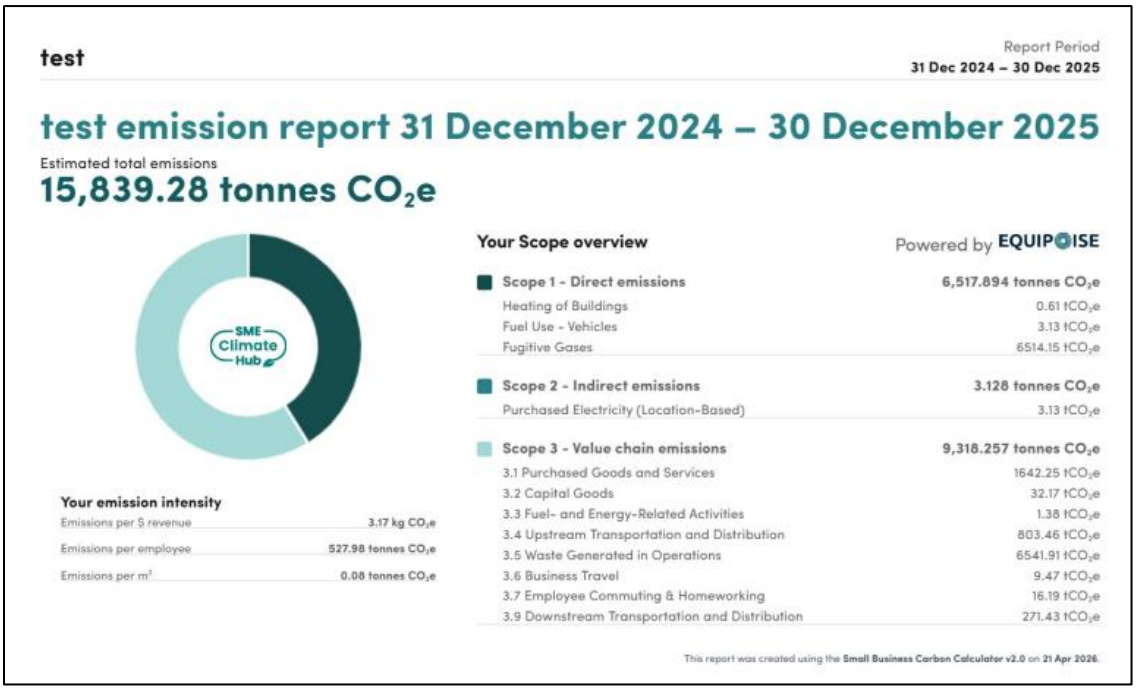
Carbon Footprinting Tools

Assessing emissions is a crucial step in reducing your carbon footprint and aligning with sustainability goals. It provides a clear understanding of where emissions originate, enabling your organization to identify opportunities for improvement and track progress.

Carbon footprinting is a complex and time-consuming effort—but it does get easier and faster in time! Although most carbon footprinting software solutions and consultants are not free, here are a few tools that are and offer a place to start your carbon accounting journey.

- **[Foundational]** SME Climate Hub has many free resources that aid small and medium enterprises in starting their emissions journey with an emissions calculator and great examples on how to reduce emissions. The Calculator is best used after the initial data is collected for your baseline year and current year, while the Climate Action Planner is used to recommend which levers to take to reduce emissions.

  An example of the Calculator's Output, which would meet our criteria for calculating your company's carbon emissions is shown below:



test

Report Period
31 Dec 2024 – 30 Dec 2025

test emission report 31 December 2024 – 30 December 2025

Estimated total emissions
15,839.28 tonnes CO_2e

Your emission intensity

Emissions per $ revenue	3.17 kg CO_2e
Emissions per employee	527.98 tonnes CO_2e
Emissions per m^2	0.08 tonnes CO_2e

Your Scope overview

Powered by EQUIPOISE

Scope 1 - Direct emissions	**6,517.894 tonnes CO_2e**
Heating of Buildings	0.61 tCO_2e
Fuel Use - Vehicles	3.13 tCO_2e
Fugitive Gases	6514.15 tCO_2e
Scope 2 - Indirect emissions	**3.128 tonnes CO_2e**
Purchased Electricity (Location-Based)	3.13 tCO_2e
Scope 3 - Value chain emissions	**9,318.257 tonnes CO_2e**
3.1 Purchased Goods and Services	1642.25 tCO_2e
3.2 Capital Goods	32.17 tCO_2e
3.3 Fuel- and Energy-Related Activities	1.38 tCO_2e
3.4 Upstream Transportation and Distribution	803.46 tCO_2e
3.5 Waste Generated in Operations	6541.91 tCO_2e
3.6 Business Travel	9.47 tCO_2e
3.7 Employee Commuting & Homeworking	16.19 tCO_2e
3.9 Downstream Transportation and Distribution	271.43 tCO_2e

This report was created using the Small Business Carbon Calculator v2.0 on 21 Apr 2026.

- SME's Climate Action Planner is a simple tool that can help your company understand where the levers are to reduce emissions.
- **[Foundational]** The Climate Drive offers a free guide on how to do carbon emissions accounting and goal setting for your company in easy-to-understand language.
- **[Foundational]** The US EPA's free Excel-based Simplified GHG Emissions Calculator helps businesses estimate their carbon footprint based on energy use, transport, and travel and is a bit more detailed compared to the one from SME.
- **[Intermediate]** There are many carbon accounting tools on the market that are not free. Each company specializes in different industries and data sets, have different implementation and engagement levels, and a wide variety of prices so be sure to do your due diligence to ensure it's the right fit for your enterprise, if you choose to invest in this.

2. Measuring Your Scope 1 and 2 Emissions and Reduction Opportunities

Building Specific Opportunities to Reduce Energy Usage and Emissions
Emissions that come from your company's buildings' heating systems, owned or leased corporate cars or trucks, and refrigerants from the HVAC systems are part of "Scope 1" emissions.

Typically, incremental emissions reduction opportunities, such as preventative maintenance programs, are where the "low-hanging fruit" are, while more capital-intensive projects will likely bring larger emissions reductions.

The resources below offer guidance on projects that may reduce energy usage significantly:

- [Intermediate] Adding insulation to your buildings
- [Advanced] Switching to Heat Pumps in Plants
- [Advanced] Switching to "Heating as a Service"
- [Advanced] Electrifying low temperature manufacturing processes
- [Advanced] Refrigerant Management

Understand Your Electricity Needs

Electricity usage is the main component of Scope 2 emissions. To reduce Scope 2 emissions, you will need to improve energy efficiency at your sites, reduce energy usage, and purchase renewable electricity to match your electricity needs.

Work with your real estate or facilities team to understand how electricity is managed; is it managed with a real-time database or is it managed site-by-site with a local facilities manager? In these conversations, ask about preventative maintenance programs, internal energy audits, and pending energy efficiency projects. Be mindful that projects that address the largest sources of energy (e.g. powering machinery) will likely take larger financial investment upfront, a longer payback period, but a larger ROI overall compared to lighting upgrades in an office building. Work with your local utilities to ask about rebates or tax incentives they may offer to their business customers.

The resources below offer guidance on ways to identify opportunities to reduce electricity:

- [Foundational] EPA's Energy Usage Tracker for Buildings
- [Foundational] EnergyStar Portfolio Benchmarking Manager to Track Electricity, Waste, Water
- [Intermediate] Free Energy Auditing Toolkit
- [Intermediate] US Department of Energy's Better Building's Emissions Reduction Audit for Building Owners
- [Intermediate] Hot spots for Energy Inefficiencies Based on Building Type

Renewable Energy Procurement
To reduce Scope 2 emissions (using the market-based methodology), you will need to match your electricity usage to the amount of renewable electricity you need to source.

If you are a small business, purchasing Energy Attribute Credits (EACs) such as Renewable Energy Credits (RECs) is feasible. If you are in a larger business, however, you will get better long-term pricing and visibility via a "power purchasing agreement" (PPA).

Once you understand your electricity needs, you may want to expand the PPA to include some of your energy-intensive suppliers or other peers to bring costs and emissions down while increasing pricing predictability.

The resources below offer guidance on renewable energy sourcing opportunities:

- [Intermediate] Renewable Sourcing Toolkit
- [Advanced] PPA Toolkit

- [Intermediate] State Incentives for Renewables & Efficiency



3. Measuring Your Scope 3 Emissions and Reduction Opportunities

We highly encourage our suppliers to follow the guidance from the Science Based Targets Initiative's (SBTi) recommendations and ways of reporting emissions as this is the leading methodology and framework used around the world. The SBTi does not require small and medium sized enterprises to set a Scope 3 emissions reduction goal, but they must measure their Scope 3 emissions and work to minimize their emissions from many of the specified categories (SBTi). However, if you sell your products in the UK, the UK's NHS will require a full Scope 3 emissions to be reported and addressed by April 2027.

Purchased Goods & Services & Capital Goods (Scope 3, Category 1 and 2)
Scope 3, Categories 1 and 2, include Purchased Goods and Services and the purchases of Capital Goods. These categories are likely to be the largest categories of emissions for your company and include components for your products, office supplies, contractors, and data centers. Today, most carbon accounting uses the "spend-based" methodology, in which an emissions factor in "CO2e/$," from a database or governmental source associated with the industry the supplier is then multiplied by the annual spend to get the emissions from that supplier.

Once you have decided which calculation methodology to use, you will need to set up a framework to capture this data and determine which suppliers are the most important in

your carbon footprint. The next steps also depend on the overall capacity to accumulate more data and the leverage your procurement teams have with suppliers.

There are several ways to encourage carbon reductions with your suppliers that will in turn reduce your company's emissions. Heavily involving your procurement and sourcing teams is instrumental. Aligning key business opportunities, such as "preferable purchasing policies," is one of the best ways to effect change.

A variety of sustainable procurement opportunities are included in the resources below:

- [Intermediate] World Economic Forum's Select and Segment Suppliers
- [Advanced] World Economic Forum's Green Procurement Playbook

Waste Efficiencies (Scope 3, Categories 5 and 12)
Producing waste is unavoidable, but there are opportunities and innovations to reduce the amount of waste generated. Typically, each type of waste is measured by the ton. That tonnage is multiplied by the emissions factor of that waste stream, to get the emissions for waste. Looking both upstream and downstream in production is key to reducing waste. Additionally, working with your customers can help reduce waste collaboratively.

There are several industry partnerships such as CHARME that are working on reducing single-use plastics and incorporating the use of bioplastics in certain packaging applications. Kaiser Permanente has partnered with several suppliers to reduce packaging waste. A case study of one of our partnerships is below:

- [Advanced] Paring Down Plastics through Packaging Partnership

Several innovations and partnerships have occurred in tertiary packaging in the reusable totes space within the medical field which are shared in the resources below:

- [Intermediate] Reusable Totes for Deliveries
- [Intermediate] Reusable Refrigerated Totes for Deliveries

Business Travel Opportunities (Scope 3, Category 6)
Business Travel is part of Scope 3 emissions as well and has the most straight-forward recommendations for emissions reductions. The most obvious suggestion is to ensure that travel is truly worthwhile and that there is a policy in place indicating the preferred modes of transit.

Public transit and rail are likely to have the smallest footprint options, while direct flights and economy travel at longer distances have the lowest carbon footprint per passenger

on longer trips. Rental cars should be efficient and ideally hybrid. The major travel booking providers have recommendations on how to improve business travel emissions, which are linked below:

- [Foundational] Business Travel Sustainability Toolkit
- [Intermediate] Concur's Sustainability Capabilities
- [Intermediate] American Express Global Business Travel's Sustainability Capabilities
- [Advanced] BCD's How to Write a Sustainable Travel Policy

Commuting Opportunities (Scope 3, Category 7)
Employee commuting is a tricky one to account for and to minimize, besides the obvious remote or hybrid work possibilities. Improving ease and comfort for those able to ride public transportation or bike into the office is one option. Commuting emissions are often negligible if your company manufactures or distributes products, so it may be an easy place to start emissions accounting, but the initiatives taken will likely not reduce emissions significantly. However, integrating opportunities into employee benefits such as subsidies for public transportation, on-site electric car charging, or shower rooms for bikers would likely increase employee satisfaction.

- [Intermediate] Workday's Free Commuting Survey Tool for its Customers
- [Advanced] Plan A's Employee Commuting Emissions

Supply Chain Transportation & Distribution Opportunities (Scope 3, Category 4 and Category 9)
Transportation emissions are one of the more straight-forward categories within emissions accounting, when data is available. In most basic terms, air freight has the highest level of emissions, while sea and rail freight options have the lowest. Most of the major freight transportation companies offer free carbon accounting and are available via the customer service team. Links to learn more about those resources are shown below.

- [Intermediate] FedEx's Sustainability Insights Report
- [Intermediate] UPS' Carbon Impact Analysis Report
- [Intermediate] DHL's GoGreen Dashboard

Once you receive emissions reports from your carriers, you will want to assess the proportion of emissions for each mode of transportation (especially for air freight) and look to see where supply chain and customer collaborations are possible. You may also want to look for inter-modal (i.e. rail & truck) opportunities for goods that can be shipped at a slower pace.

Another opportunity is working directly with your transportation partner to assess your transportation opportunities within their own network. Looking at the lanes used and routes taken while optimizing shorter distances is another way to reduce emissions within logistics.

- [Intermediate] EPA SmartWay Partnership
- [Advanced] Eco-driving application for logistics and heavy vehicles
- [Advanced] US Department of Energy's Alternative Fuels Overview

You may want to also learn more about "utilization and optimization" opportunities, to save money while transporting goods. Vehicles that are closer to being full inherently will have lower emissions per mile traveled or "ton-mile." This takes coordination with your suppliers and or/ customers to ensure that the changes in delivery schedules will work and that they have room to store more of your goods in their warehouse or similar. You may not be able to make significant changes immediately, but you will likely be able to see some efficiency gains on several in the short term.

- [Intermediate] World Economic Forum's What the US' Wasted Truck Space Taught Me About Profitable Sustainability

Lastly, another opportunity is looking into alternative fuels, especially for air and ocean freight as these have potential to reduce emissions that cannot be reduced in the other ways mentioned.

- [Advanced] Sustainable Aviation Fuel (SAF)
- [Advanced] ZEMBA's Sustainable Marine Fuel Purchasing Program

Reducing Emissions During Product Use Opportunities (Scope 3, Category 10)
Addressing fuel and energy your products use will reduce the costs associated with using these products during their lifetimes and will be benefit to your customers.

Calculating Product-Based or Service-Based Emissions for Your Customers
Once your company is more comfortable with carbon accounting, you can begin to think about how you want to share this data with your customers, like us. Like most of your customers who are also capturing their carbon emissions each year, you play a part in improving the efficacy of those emissions. It is likely that your customers are using "spend-based" methodologies that use emissions factors assigned to your industry. If you want your customer to replace these emissions factors and show off all the fantastic work your company is doing, you will need to supply more information to your customer. There are several ways you can do this; Product Life Cycle Accounting (LCAs), Product Carbon Footprinting (PCFs), or Service Based Carbon Footprinting (SCFs). These

endeavors are both time and resource intensive, and you will likely need software and consultants to support these efforts.

- [Advanced] PACT's Product Carbon Footprint Action Guide for Small and Medium Sized Enterprises
- [Advanced] GHG Protocol's Product Life Cycle Accounting and Reporting Standard
- [Advance] Green Project's A Beginner's Guide to Service Carbon Footprints

4. Establish an Emissions Reduction Goal that is Science-Based

We strongly encourage you to set science-based climate reduction targets. Setting clear goals and tracking progress not only reduces environmental impact but also builds trust, enhances reputation, and creates a competitive edge in the industry.

The following are ways to publicly demonstrate your commitment and progress toward decarbonization goals:

- **[Intermediate]** Publicly commit to your goal by joining initiatives such as the United Nations' Race to Zero or America Is All In.
- **[Advanced]** Consider getting your target approved and validated by the Science-Based Targets Initiative (SBTi).

5. Share Progress with Kaiser Permanente Annually

Each fall, we distribute a climate questionnaire consisting of 20 questions asking about your company's goals and annual progress. This survey aligns with the National Academy of Medicine's Climate Action Survey, which you may be receiving from other customers. A copy of our most recent questionnaire can be found in the Appendix.

6. Publish Sustainability Metrics and Goals

Effectively reporting and demonstrating your impact on decarbonization builds trust with stakeholders and strengthens your organization's reputation by highlighting the positive outcomes of your sustainability efforts. To communicate progress, companies need to adopt structured reporting frameworks and engage stakeholders through clear, data-driven updates.

There are various approaches to reporting and demonstrating the progress your company is making:

Use Well-Established Reporting Frameworks

- **[Intermediate]** International Financial Reporting Standards (IFRS): IFRS provides broad and industry-specific accounting and sustainability metrics that link directly to financial performance. Their new streamlined frameworks were formerly standalone and found in the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-Related Financial Disclosures (TCFD) and others.
- **[Advanced]** CDP: CDP runs a global disclosure system that enables companies to measure, manage, and report their environmental impact, particularly focusing on GHG emissions and climate change.
- **[Advanced]** Global Reporting Initiative (GRI): The GRI standards provide a framework for companies to report on their economic, environmental, and social impacts. It is one of the most widely used reporting systems globally.

Other Communication Channels

- **[Intermediate]** Sustainability Reports: Publish an annual sustainability or corporate responsibility report summarizing your progress on emissions reduction, energy use, and other environmental goals
- **[Advanced]** Third-party Certification and Awards: Seek external validation and recognition of your efforts, such as third-party certifications.

Taking decisive action on climate change is not only an environmental responsibility, but also crucial for the success of both Kaiser Permanente and its suppliers. Embracing sustainability is smart business, but it also plays a critical role in addressing upstream determinants of health. By aligning with Kaiser Permanente's commitment to reduce carbon emissions, suppliers become trusted partners in our mission to provide high-quality, affordable health care.

Together, we can build a healthier future—both for patients and the planet.

Questions? Reach out to the Impact Spending team: ImpactSpending@kp.org

Resources

Industry Sustainability Collaboratives

- CHARME: Collaborative for Healthcare Action to Reduce MedTech Emissions
- Healthcare Industry Distributors Association
- Healthcare Plastics Recycling Council
- Healthcare Without Harm
- Medical Equipment Proactive Alliance for Sustainable Healthcare
- National Academy of Medicine's Action Collaborative on Achieving a Climate Resilient and Sustainable Health Sector
- Practice Greenhealth
- Sustainable Markets Initiative: Health Systems Task Force

Broader Sustainability Collaboratives

- Responsible Business Alliance
- Scope 3 Peer Group
- Sustainable Packaging Coalition
- Sustainable Purchasing Leadership Council
- Trellis Network
- We Mean Business

White Papers

- Catalyzing Collective Action to Decarbonize Healthcare – Kaiser Permanente, Health Care Without Harm, Accenture
- Global Road Map for Healthcare Decarbonization – Arup and Health Care Without Harm
- Environmental Sustainability 101 for Healthcare Distributors - Healthcare Industry Distributors Association

Appendix

2025 Kaiser Permanente Climate Action Questionnaire

Data Disclosure and Accuracy Statement:

By completing this questionnaire, you confirm that the information provided is accurate and reflects your organization's most current data to the best of your knowledge. Suppliers are expected to provide responses for all questions. If a question does not apply or data is not yet available, please enter "No" or "0" as appropriate.

Question	Response	Notes
Company Name:		
Reporting Period (if applicable): ***(mm/dd/yyyy - mm/dd/yyyy)***		
Company Revenue for Reporting Period: (***in billions)***		
Primary Business Category:		
Secondary Business Category (if applicable):		
Point of Contact Name:		
Point of Contact Email:		
1. Do you measure any of the following:		
1a. Scope 1 emissions (yes/no)		
1b. Scope 2 emissions (yes/no)		
1c. Scope 3 emissions (yes/no)		
2. If yes, do you publicly disclose (fill in metric tons CO2e):		
2a. Scope 1 emissions (yes/no)		
2b. Scope 2 emissions (yes/no)		
2c. Scope 3 emissions (yes/no)		
3. What are your emissions in MT CO2e? *If not yet measured, please put "0"*		
3a. Scope 1 emissions		
3b. Scope 2 emissions		
3c. Scope 3 emissions		
3d. If not yet measured, when do you plan to measure and disclose emissions?		
3e. If Other, please explain		
4. Is your measurement methodology for Scope 3 emissions aligned with the Greenhouse Gas Protocol? (yes/no)		
4a. If no, what methodology do you currently use?		
5. Which approach are you currently using for your		

Scope 3 emissions accounting?		
6. If you are using a spend-based approach, do you have a plan to transition to an activity-based or hybrid approach? (yes/no)		
7. Have your greenhouse gas emissions for Scopes 1, 2 and 3 been assured by a third-party?		
7a. Scope 1 emissions (yes/no)		
7b. Scope 2 emissions (yes/no)		
7c. Scope 3 emissions (yes/no)		
8. Do you allocate emissions to your customers? (yes/no)		
8a. If yes, you may optionally decribe the process/methodology associated with the scopes of emissions and categories included.		
9. Do you have publicly available targets to reduce your carbon emissions? (yes/no)		
10. If yes, please describe these targets.		
11. If yes, are these targets science-based?		
12. If your organization does not have science-based targets, do you plan to set science-based targets? (yes/no)		
12a. If yes, by when do you plan to set science-based targets?		
13. What are your three biggest barriers to setting science-based targets? (choose up to three)		
Internal resources		
Leadership support		
Lack of budget		
Data quality and/or availability		
Lack of cross-departmental collaboration		
Ability to measure and report progress		
Local policies/regulations		
Unaware of science-based targets		
Other, please explain		
14. How are you reducing greenhouse gas		

emissions? (choose all that apply)		
Energy efficiency projects		
Onsite renewable energy projects (solar)		
Purchasing renewable energy through local utility providers		
Purchasing renewable energy credits (RECs)		
Purchasing carbon offsets		
Change in manufacturing process		
Change in product design		
Updated approach to product use		
Other, please explain		
15. If your company has a greenhouse gas emissions reduction goal, how much progress have you achieved? Insert % reduction.		
16. Do you ask suppliers to meet climate-related standards or requirements? (yes/no)		
16a. If yes, please explain these standards and how you engage your suppliers.		
17. Do you report greenhouse gas emissions to CDP? (yes/no)		
17a. If yes, what was your most recent CDP Climate Score?		
18. Do you have a Corporate Responsibility/Sustainability/ESG Report? (yes/no)		
18a. If yes, please share a link to the latest report.		
19. Would you consider climate-related partnerships with customers, such as energy cohorts or joint sustainability initiatives? (yes/no)		
20. Do you offer environmentally preferable products? (yes/no)		
20a. If yes, please provide examples.		
21. Is your company currently Carbon Neutral, Net Zero, or Climate Positive?		