

Autodesk

ACKNOWLEDGE
 PRIORITISE
 SET STRATEGY & GOALS
 TRACK

GHG EMISSIONS



Background on Autodesk

Autodesk is an American multinational software corporation founded in 1982 and headquartered in San Rafael, California. The company develops software that is used within the architectural, engineering, construction, manufacturing, media, and entertainment sectors. It has offices worldwide, reported revenues of US\$2.5 billion in 2014, and employed over 9,000 people in 2016. Autodesk is publicly listed on the NASDAQ.

How did Autodesk come to start thinking about context?

By 2010, Autodesk had already performed two carbon footprint assessments on its operations and was in the process of beginning to think about how it could set GHG emission reduction goals¹. It began to investigate how other organisations were setting GHG emissions goals and after this review, grew concerned that the business community was not setting goals that actively encouraged GHG emission reductions¹. Autodesk began to develop its own model, inspired by work done by [Chris Tuppen](#) of BT and [Jørgen Randers](#) of the Norwegian School of Management, that was business friendly, based on climate science, and verifiable¹.

By 2012, Autodesk had completed the development of its internal tool for setting science-based GHG emissions goals, [C-FACT](#), and decided to make it freely available to other organisations to support them in setting their own GHG emissions reduction goals that were based on a climate science methodology¹. Autodesk's C-FACT methodology is based on three principles, namely: fairness, verifiability, and flexibility². Fairness means that the commitment is based on the proportional value the company contributes towards the economy³. Verifiability means that

¹ Sustainable Brands (2012). Open-Source Sustainability: Autodesk Frees Its Climate Stabilization Method. Accessed at: http://www.sustainablebrands.com/news_and_views/new-metrics/open-source-sustainability-autodesk-frees-climate-stabilizing-method

² Eco Business (2014). Autodesk C-FACT methodology arms cities to tackle climate change. Accessed at: <http://www.eco-business.com/research/autodesk-c-fact-methodology-arms-cities-to-tackle-climate-change/>

³ Science-Based Targets (2014). White Paper: A Corporate Finance Approach to Climate Stabilising Targets ("C-FACT"). Accessed at: http://sciencebasedtargets.org/wp-content/uploads/2014/09/greenhouse_gas_white_paper000.pdf

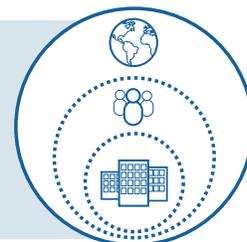
the methodology uses publicly disclosed financial and GHG emissions data within it to allow for verification³. Flexibility means that the methodology can be adapted to account for inaccurate financial forecasting, economic uncertainty, and real time performance as time progresses³. Autodesk released a white paper called A Corporate Finance Approach to Climate Stabilising Targets (“C-FACT”) in 2014 that outlined the details of the methodology³.

In early 2015, Autodesk endorsed the [Caring for Climate](#) initiative (led by the UN Global Compact and [UN Environmental Programme](#)) that aims to advance the role of the business community in the fight against climate change⁴. Later that year, and in the months leading up to [COP21](#), Autodesk sponsored an event called Proof-of-Concept 21 ([POC21](#)) that aimed to provide a hands-on forum for designers, engineers, scientists, and entrepreneurs to prototype open source solutions for sustainability challenges⁵. At the time, Emma Stewart, Head of Sustainability Solutions at Autodesk, commented that “by setting out our plans early we can signal to political leaders that we take our responsibilities seriously”⁶. In early 2016, Autodesk achieved its 2020 target of being powered by 100% renewable electricity, a commitment it had made through its affiliation with RE100⁷.

What does context look like at Autodesk?

1 ACKNOWLEDGE the need to operate within global, regional, and/or local socio-ecological thresholds.

GHG EMISSIONS



GHG emissions: Autodesk acknowledges that GHG emissions are closely correlated with global economic growth and that industrialised countries have contributed significantly to the growth in emissions, and therefore need to take a leading role in reversing the upward emissions curve³. As such, Autodesk believes that an unprecedented reversal of the current GHG emission growth rate is needed along with a reduction in absolute GHG emissions to return to climate stabilising concentrations of GHGs³. Autodesk has a formally endorsed statement that advocates that organisations adopt GHG emissions reduction goals that are in line with climate stabilisation science and policy and are in proportion to the organisation’s contribution to the economy³. Autodesk is committed to reducing its own GHG emissions and those of its value chain by encouraging its value chain and business partners to be environmentally responsible^{6, 8}.

⁴ Autodesk (2016). Fiscal Year 2016 Sustainability Disclosure. Accessed at: <https://damassets.autodesk.net/content/dam/autodesk/www/sustainability/docs/pdf/autodesk-fy2016-sustainability-disclosures.pdf>

⁵ Autodesk (2015). Making for Impact: Autodesk to support the first Innovation Camp in Paris. Accessed at: http://inthe-fold.autodesk.com/in_the_fold/2015/07/making-for-impact-autodesk-to-support-the-first-innovation-camp-in-paris.html

⁶ Science-Based Targets (2015). Leading Companies Elevate Their Climate Goals in Responses to Science. Accessed at: <http://sciencebasedtargets.org/2015/09/25/leading-companies-elevate-their-climate-goals-in-response-to-science/>

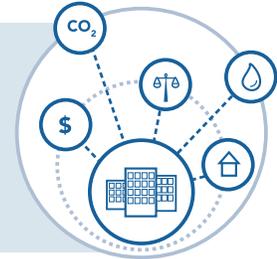
⁷ RE100 (2016). Autodesk. Accessed at: <http://there100.org/autodesk>

⁸ Autodesk (n.d.). Environmental Policy. Accessed at: <http://www.autodesk.com/sustainability/environmental-policy>

Other thresholds: Autodesk acknowledges the importance of other socio-ecological issues including water, waste, business ethics, diversity, and human rights but does not yet discuss their associated thresholds.

2 Transparently understand and **PRIORITISE** a set of focus areas in relation to key socio-ecological trends at the global, regional, and/or local level.

GHG EMISSIONS



Autodesk prioritises its material issues by determining where it can have the greatest impact and revisits its assumptions on a regular basis to account for changes in the global context⁹. The company worked with [BSR](#) to engage its internal stakeholders and global content experts to assess the importance of a variety of global socio-ecological issues and determine how these could affect both Autodesk's business operations and wider sustainable development⁹. The assessment considers both the influence that Autodesk has over each issue and an estimated trajectory for each issue from the time of the assessment up until 2050⁹. As a designer of software, Autodesk believes that its biggest opportunity to support addressing climate change is through the designers who use its software, but it still embraces its responsibility to reduce its own direct impacts¹⁰.

GHG emissions: Autodesk prioritises GHG emissions and regularly estimates its own GHG emissions and those of its value chain to better allow it to understand its impacts on this threshold, and to also prioritise its actions both within its own operations and those of its value chain (Figure 1)¹¹.

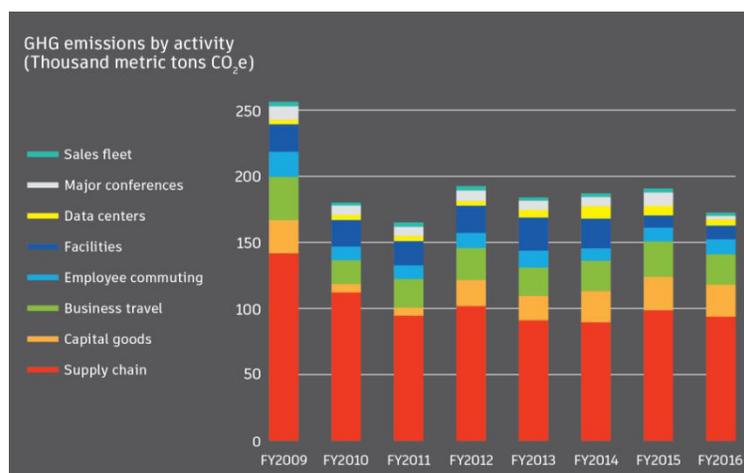


Figure 1: Autodesk's estimates of GHG emissions broken down by areas of business operation¹¹

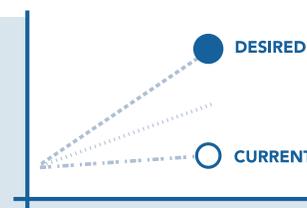
⁹ Autodesk (2013). Sustainability Report 2013. Accessed at: http://images.autodesk.com/adsk/files/autodesk_sustainability_report_2013.pdf

¹⁰ Autodesk (n.d.). Commitments and Reporting. Accessed at: <http://www.autodesk.com/sustainability/commitments-and-reporting>

¹¹ Autodesk (n.d.). Business Operations. Accessed at: <http://www.autodesk.com/sustainability/business-operations>

3 SET STRATEGY AND GOALS by transparently articulating the current performance gap and what portion of this gap the business will address.

GHG EMISSIONS



GHG emissions: Autodesk has committed to reducing its scope 1, 2, and 3 emissions by 43% by 2020 and to a 85% reduction in its absolute GHG emissions by 2050¹⁰. Autodesk determined this goal using its C-FACT methodology which recognises its contribution to both the economy and global emissions¹². As discussed above, C-FACT is anchored by three principles, namely: fairness, verifiability, and flexibility, that flow through its four steps². Step 1 of the C-FACT methodology (Calculate) involves the calculation of the numbers that underpinned Autodesk's goal and consists of five sub-steps³. Firstly, Autodesk calculated a base-year GHG emissions footprint by selecting the earliest year in which it felt confident that the data it had represented the business boundaries that would be relevant to its future³. Secondly, the company determined its contribution to the Gross Domestic Product (GDP) using its own Gross Profit as a proxy for GDP³. Thirdly, Autodesk calculated its [Carbon Intensity Ratio](#) and divided this by its GHG emissions from its determined base-year as a function of its contribution to GDP³. Fourthly, it forecast its contributions to GDP using recognised financial analysis research by forecasting its short-term Gross Profit³. Lastly, it used a 2050 climate stabilisation target to derive a GHG emissions intensity reduction rate that was beyond what was being recommended by the [Intergovernmental Panel on Climate Change](#)³. Autodesk then used these figures within Step 2 of the C-FACT methodology (Commit) and selected a commitment time frame that considered the following factors: climate change is a long-term challenge; opportunity to leave a legacy; periodicity of its strategic planning; and global climate policies³.

Other thresholds: Autodesk has not yet set contextual goals in relation to any other thresholds.

4 Transparently TRACK performance against realistic trajectory targets.

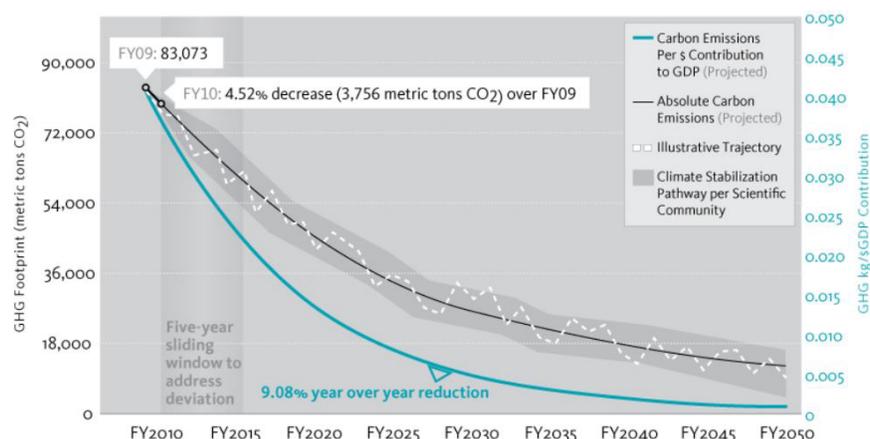
GHG EMISSIONS



GHG emissions: Step 3 (Annualise) of Autodesk's C-FACT methodology involves annualising its reduction trajectory to determine annual GHG emission reduction targets through to 2050³. The last step, Step 4 (Adjust), is an ongoing process in which Autodesk updates its data annually and adjusts its model using its most recent and updated financial and GHG emissions data³. Autodesk has yet to outline if it intends to develop targets or metrics that will enable it to assess the influence it has on helping its value chain adhere to the limits of this threshold.

¹² We Mean Business (2015). Autodesk faces the facts on climate targets. Accessed at: <https://www.wemeanbusinesscoalition.org/stories/autodesk>

Autodesk's Approach to Corporate Greenhouse Gas (GHG) Target Setting

Figure 2: Autodesk's trajectory targets for its contextual 2050 GHG emissions reduction goal¹³.

Other thresholds: Autodesk reports its performance against other socio-ecological issues including water, waste, business ethics, diversity, and human rights but does not yet report its progress in conjunction with their associated thresholds.

What is the road ahead for context at Autodesk?

Autodesk is committed to continue to work with its customers and other organisations to support wider efforts to tackle climate change. Lynelle Cameron, Senior Director of Corporate Philanthropy & Sustainability at Autodesk, said "We set a science-based emissions reduction target for ourselves nine years ago, and have been sharing the C-FACT methodology with customers, industry, and governments ever since. In addition to our own climate commitments, we are focused on equipping and supporting our customers to compete in a low carbon economy. This is our collective future and the only path forward¹³."

¹³ Science-Based Targets (2016). In past year, Science Based Targets grew at rate of 2+ companies per week. Accessed at: <http://sciencebasedtargets.org/2016/06/28/in-past-year-science-based-targets-grew-at-rate-of-2-companies-per-week/>