### **Environmental Disclosure**

Key element of benchmarking and assessing progress in the agriculture & agri-food sector

Bridget Schrempf

Manager System

Manager, Sustainable Food Systems



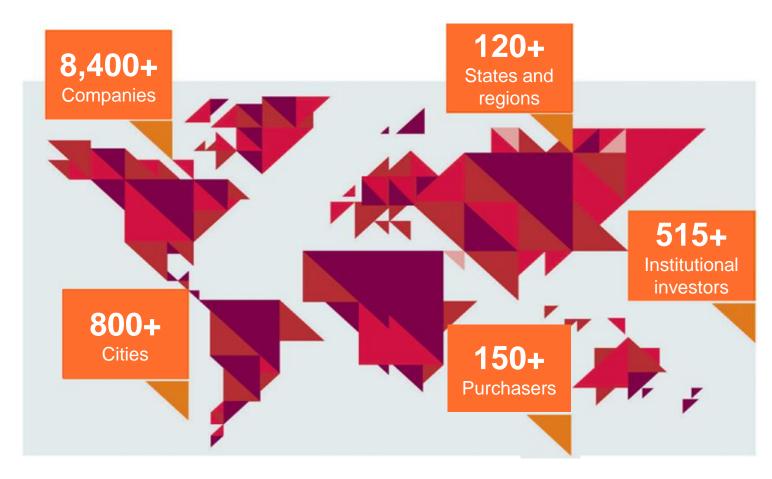
### **CDP: VISION & MISSION**



CDP is a global environmental nonprofit working to secure a thriving economy that works for people and planet in the long term.

We focus investors, companies, cities and regions on taking urgent action to build a truly sustainable economy by measuring and understanding their environmental impact.

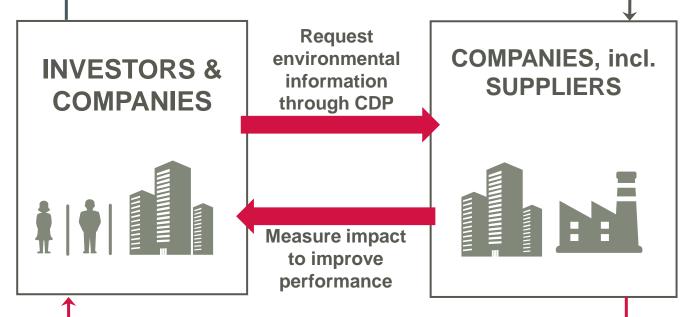
We aim to make environmental reporting mainstream and provide detailed insights to drive action for a climate safe, water secure, deforestation free world.



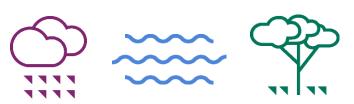
### WHY DO COMPANIES DISCLOSE?



Investors and purchasing companies use CDP to make informed decisions, reward companies with superior performance and drive action.



Companies and suppliers provide data on environmental impacts, risks, opportunities, investments and strategies.



Companies take action to tackle climate change, safeguard water resources and prevent the destruction of forests.

### FEEDING THE ESG ECOSYSTEM



## Bloomberg











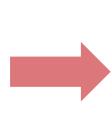


























**REUTERS** 











**Dow Jones** 



### **SCORING OVERVIEW**



### Leadership

whether a company is taking the most ambitious actions and demonstrating best practice



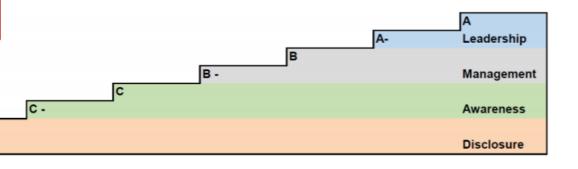
Management

whether a company has implemented specific actions to address and manage climate change risks

Progress towards environmental stewardship

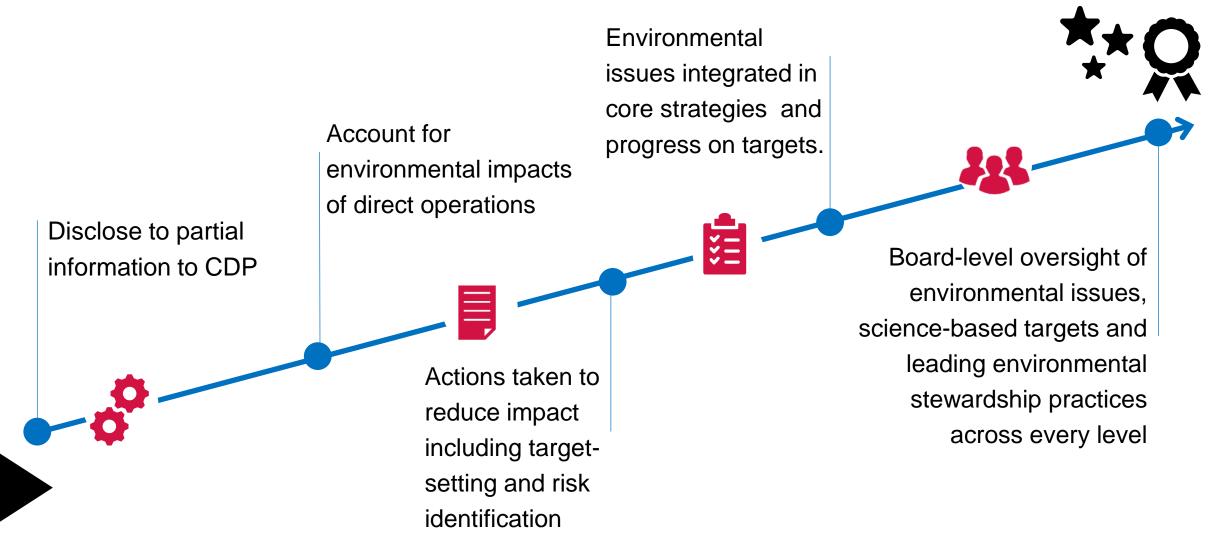
issues

**Disclosure** level of completion



# INCENTIVIZING SHIFTS TOWARDS ENVIRONMENTAL BEST PRACTICE





### TCFD RECOMMENDATIONS AS CDP METRICS



Turning guidelines into metrics for investor evaluation

## CDP questions

Breakdown of recommendations into accessible, actionable metrics

#### **CDP** guidance

How to provide complete, comparable information for each question. Resources to take action on metrics.

#### CDP scoring

What is best practice for each metric.



#### **CDP** data

Comparable, standardized, decision-useful

#### **TCFD** recommendations

What investors and companies should be evaluating.



### **METRICS: TARGETS**

Trajectory to leadership

No emissions targets

and limited emissions

intensity emissions target

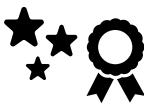
Has set absolute or



Has absolute or intensity target covering majority of scope 1 and 2 emissions



Target covers Scope 1 and 2 emissions, as well as Scope 3







Science-based target validated by the SBTi represents best practices in target setting



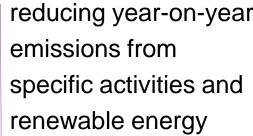
data



### **METRICS: GHG EMISSIONS**

Trajectory to leadership







Limited or no emissions data

(6)

Discloses scope 1 and 2 emissions

Discloses and verifies scope 1 and 2 emissions; discloses on some scope 3 emissions

Near complete
verification of
disclosed emissions,
robust scope 3
disclosure, and
continued year-onyear reductions



### **SCORING OVERVIEW**



Management

whether a company has implemented specific actions to address and manage climate change risks

### Leadership

whether a company is taking the most ambitious actions and demonstrating best practice

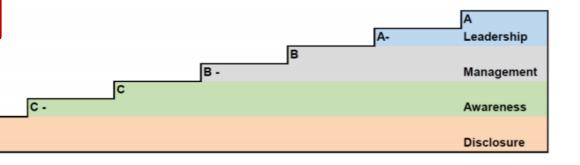
Progress towards environmental stewardship issues

> **Disclosure** completion



level of





## REGIONALLY AND SECTOR SPECIFIC CONSIDERATIONS



- Metrics should where possible be grounded in science starting globally with the SBTi (for carbon) and SBTN (for other planetary boundaries)
  - Note that the SBTi as well as ACT initiative are currently undertaking agriculture and agri-food specific benchmarking and methodology development for climate (emissions/climate).
- Agriculture and agri-food nuance and regional lens how to provide an assessment against what a sustainable food system and transition looks like regionally.
- Avoiding undue data burden How to gather the critical data underpinning this
  work and enable decision making; aligning frameworks and reporting requirements.