Driving stakeholder value with ESG
Our professionals combine hands-on farm experience with strategic and financial insight

ESG programs for agriculture
In today’s world, environmental, social, and governance (ESG) is a core pillar of value creation for organizations of all sizes. Due to an evolving set of expectations from stakeholders and pending regulatory requirements, ESG is no longer a discussion—it’s a necessity.

On an environmental risk scale, the agri-food industry is considered an at-risk sector. Balancing food production and profitability with ESG imperatives will be increasingly important in the foreseeable future.

ESG issues specific to agriculture
Every industry has different driving forces behind the development of ESG programs. The following issues are material to the agriculture sector:

1. Environmental risk:
Agriculture and forestry are the largest greenhouse gas (GHG) emitting sectors after energy. Focusing on GHG emissions in the food system, these risks arise due to agriculture and land use, storage, transport, packaging, processing, retail, and consumption.

2. Supply chain:
Organizations are implementing sustainable procurement criteria into their supplier chain management including codes of conduct, outlining guidelines concerning responsible sourcing, human rights (i.e., forced labour, child labour), and the environment. The agriculture sector needs to consider these criteria to demonstrate appropriate governance of suppliers and meet stakeholder expectations. Another key element of supply chain management covers the implementation of diversity and inclusion criteria as part of their supplier code of conduct. The agriculture sector must ensure diversity in sourcing, suppliers, and logistics to maintain its customer relationships.

3. Regulation:
Upcoming regulation on public companies to disclose and report on their Scope 1, 2, and 3 GHG emissions will put pressure on the entire supply chain to map out their carbon footprint.

4. Business model transformation:
The agriculture sector will need to innovate its business model to integrate sustainability into its operations. One way is to promote the adoption of regenerative supply-side practices. This could include biological sequestration by the use of no-till farming practices or enhanced crop rotations.
How BDO’s sustainability services can help

Our ESG specialists and services can support you regardless of where you are in your sustainability journey.

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What our leading specialists say

"Investing in an ESG program is more important now than ever. The agriculture sector needs to be aware of the increased pressure to measure and report on ESG metrics and demonstrate impact on issues that matter. Forming an effective, sustainable ESG strategy and leveraging technology to support your ESG journey will optimize growth and set your organization for long-term success."

– Pierre Taillefer, National Sustainability & ESG Leader, BDO Canada

Benefits of investing in ESG programs for agriculture:

- Early integration of an ESG program strategically positions your organization for long-term success.
- Access to capital, including government incentive programs specific to the agriculture sector.
- Safe and sustainable operations.
- Maintain current client base.
- Supply chain optimization considering ESG imperatives.
- Talent attraction and retention.
- Operational efficiencies and innovation.
- Partnership opportunities and community impact.

TO LEARN MORE, PLEASE CONTACT

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ABOUT BDO

BDO is a leading provider of professional services, delivering a range of assurance & accounting, tax, and advisory services. Complemented by continuously advancing technology expertise, ESG focus, and 100+ years of being connected to local communities, we’re proud to cultivate ongoing relationships with clients and employees across Canada and beyond.

Our people-first approach to our talent experience has earned us multiple awards, including a spot among Canada’s Top 100 Employers for 2022.

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