## Building Sustainable Supply Chains

A guide for food and ag companies to work with suppliers and reduce their environmental impact







## Business leaders like you are developing plans for emissions reduction.

Food brands can work with individual suppliers to reduce their overall emissions. Farmers, food ingredient companies, commodity traders and others can all play a role in reducing a company's footprint.

However, food supply chains are nuanced, and it's tough to decide where to begin. Let's start by understanding the biggest factors of a successful emissions reduction plan: scalability and compliance.

#### Scalability

You need one comprehensive solution, which you can deploy across your supply chain.



#### Compliance

Your solution must be compliant with corporate reporting frameworks that help you establish success in your industry.

## Sound like a massive task?

We agree. Luckily, we have a solution for that. But first, we need to understand your biggest roadblocks to success.



#### Roadblocks



#### Focusing Efforts

Meeting corporate sustainability goals requires companies to conduct a deep analysis of their entire supply chains, and make plans for emissions reduction for key ingredients or steps in the supply chain.

#### Identifying Emissions Accurately

Companies that source a wide range of ingredients must use standard emissions estimates or high-touch data collection programs to quantify emissions. These methods do not accurately quantify progress towards an emissions goal, and may not be accepted by standards in the future.



#### Roadblocks



#### Adjusting to Changing Standards

The standards, protocols, and methodologies governing emissions reduction are constantly changing. It's challenging to keep your process up to date, and to ensure that today's investments will be useful tomorrow (and beyond).



#### Activating the Supply Chain

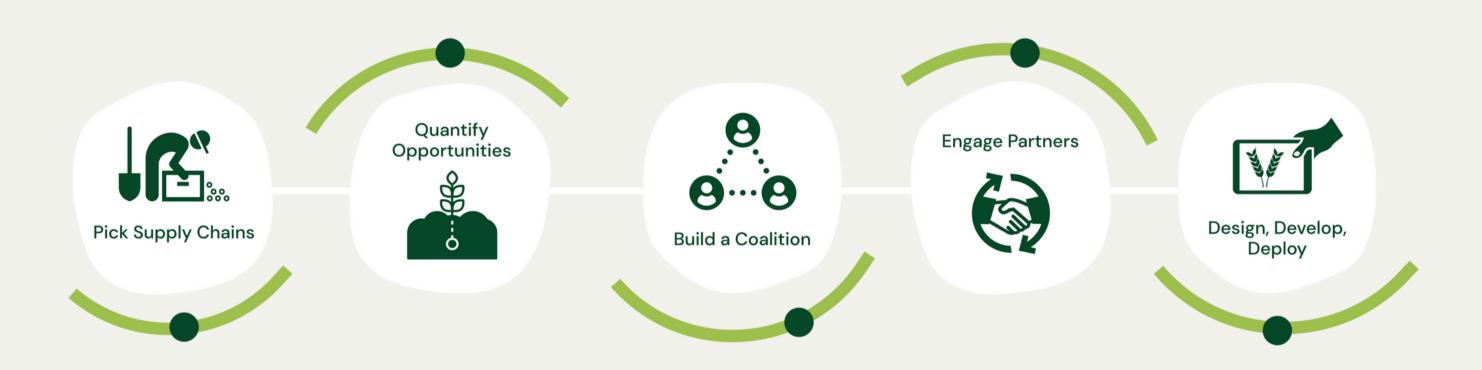
Given the complexity of agricultural supply chains, it can be daunting to define each party's role in reaching an emissions reduction goal, and to determine how much your company should invest in the supply chain, and which contributions should lie with partners.

## at the end of the day....



You can develop a more sustainable supply chain by focusing on reducing emissions within key suppliers. Here's how you can unlock that progress and overcome your roadblocks.

## How to Unlock Emissions Reductions with Your Suppliers





## Pick Your Supply Chains

A successful emissions reduction strategy focuses on crops, geographies and practices.

Say, for example, you have several key ingredients that you source directly from a few main suppliers, and several other ingredients that are sourced from a large number of suppliers in small volumes. In this scenario, it would be worthwhile to focus initially on the former category — the few large suppliers — to achieve reductions in emissions. By selecting supply chains where you have the biggest visibility and the strongest buying power, you are able to leverage well-established partnerships collaborate with trusted supply partners to make changes in the food supply chain.







## Quantify the Opportunities

With each supply chain that you assess, you'll unearth opportunities for emissions reduction. You can quantify baseline emissions for key ingredients and supply sheds, and see the contribution those ingredients make in the company's footprint.

Once you've quantified your baselines, you can work with partners to establish abatement potential in specific supply chains. Understanding your current and potential future emissions will allow you to project the impact of your investments and prioritize changes within supply chains.



#### **Build a Coalition**



Getting all key players on board is essential for developing an effective plan for supply chain transformation. This plan must take agricultural producers and other suppliers into account, and engage those partners early in the process.

In addition to engaging suppliers, food companies must also engage field experts in their efforts. For example: quantifying, baselining, reducing, and tracking emissions in different parts of the supply chain each require specialized expertise from a different program contributor. Companies need to ensure these experts are engaged in the process, as well.

Finally, later stages of these programs require verification expertise. This should typically be provided by a non-biased third-party.



## Engage your Partners

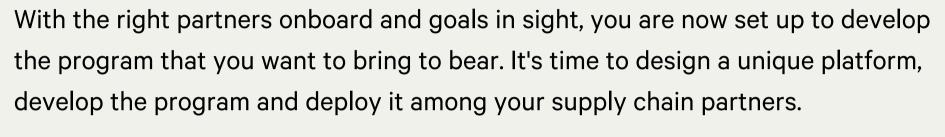
Once you and your coalition are clear on the goals of the program, it's time to put the plan into action.

At this point, you'll define and assign roles and responsibilities for everyone involved. Advisors will help you ensure that the process is complimentary to each key player, and that it leaves no gaps in data or expertise. This includes early education on changing agricultural practices, all the way through the life of the project and through certification.

After engaging partners, it may be useful to contact your downstream supply chain partners, as well. As a corporation investing in the future of our food systems, you want your investments to be successful in the long run.



## Design, Develop, Deploy



First, determine the practices that you want to incentivize, the payment schedules that you want to follow, and the reporting and verification requirements that the program needs to meet when successful. Then, define the user experience. It is essential to build a program that makes it easy for producers to test eligibility, enroll, estimate potential outcomes, access support, and learn about their legal obligations.

Once you've designed and developed your program, you are ready to deploy it and start making progress toward your emissions reduction goals.



# It's time to evolve.

How can science and data help us unlock success?

First, we must evolve. It's time to usher in a new era of software that will fundamentally change the way these steps are accomplished.

Let's start by quantifying (with specificity) the impacts of our farm management and sourcing decisions. Let's take sustainability commitments from nuggets of appreciation to real business models, which rely on science-based outcomes and offer protection for our farmers.

Our measurement, reporting and verification (MRV) framework offers evolution with scalability and compliance.

- Learn about the principles of a scalable MRV
- Listen to Regrow CEO Anastasia Volkova,

  PhD, talk about data innovation in agriculture



## Regrow Empowers Revolution

At Regrow, we see an opportunity to build a better business model between food companies and their suppliers. Together, we can flip the industry from being one of the world's top emitters to becoming a force in fighting climate change.

We've developed products that bring together the best in ag supply chain baselining. Our MRV is flexible enough to work with leading carbon standards and protocols, and our farmer-facing decision support tools function from a common layer of data infrastructure, which enables big food and ag companies to leverage the full potential of their supply chains and make a real contribution to cooling the planet.

When procurement and sustainability teams embrace a science-based, data-driven, technology-powered approach to their supply chains, they can meaningfully move their organization forward. This is how we can power a resilient food system.

Our science-backed, data-driven tools turn resilient agriculture from a CSR effort to a business imperative.

## Let's get down to business...



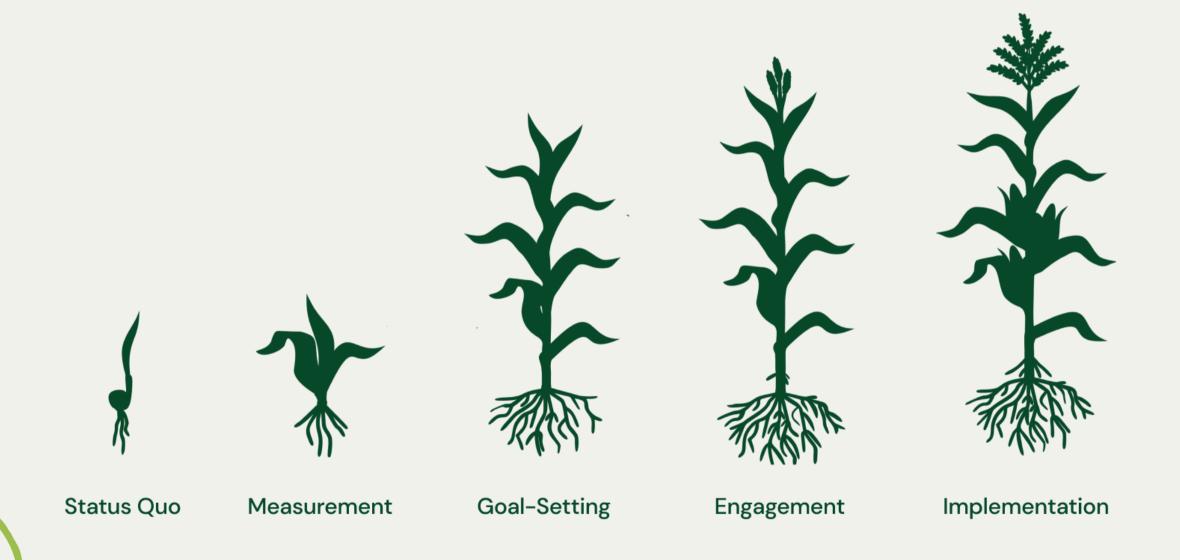
In order to transition to a more sustainable sourcing process, you must first understand your stage in the sustainable sourcing maturity journey.

Explore the pages below to establish your sustainable sourcing maturity level, and find key resources for growth.



## Sustainable Sourcing Maturity

Once you've identified your maturity level, you'll understand where to go next, who needs to be involved and what tools will help you meet your goals.



Do you know your overall emissions footprint?



## Yes continue to page 15

## STATUS QUO PHASE

#### Stage

Status Quo: traditional sourcing and emissions reporting

#### **Sourcing Decisions**

Ingredients are sourced in bulk using current partners

#### **Emissions Reporting**

Emissions are reported using a database of standard emissions factors.

#### **Supporting Products & Tools**

Empirical, question-based or self-reported, survey-based tools will allow for simple emissions measurement



Learn how agriculture can help stabilize our climate



<u>Learn why independent MRV is necessary for ecosytem markets</u>

Do you know the emissions footprint for each of your supply chains?



## Yes continue to page 16

#### **MEASUREMENT PHASE**

#### Stage

Measurement: You know the emissions footprint for each of your supply chains

#### **Sourcing Decisions**

Sustainability and procurement teams collaborate to calculate emissions of supply chains

#### **Emissions Reporting**

Emissions are quantified for each supplier using third-party tools

#### **Supporting Products & Tools**

Regrow's Sustainability Insights tool and other data-collection tools measure supplier-specific emissions factors.



Learn more about companies' roles in net-zero emissions goals.

Have you set trackable and achievable goals for emissions reduction?

## **GOAL SETTING PHASE**



Yes continue to page 17

#### Stage

Goal-setting: You've set achievable goals for emissions reduction

#### **Sourcing Decisions**

You are identifying the supply chains that will be most impactful in reducing emissions.

#### **Emissions Reporting**

You model the potential reductions in emissions, and which are in scale with program investments.

#### **Supporting Products & Tools**

Goal-setting frameworks, which are available through SBTI, TCFD and specific standards bodies, can help you establish and meet achievable, trackable goals.



**Explore the Task Force on Climate-Related** Financial Disclosures (TFCD)



Learn more about the Science-Based Targets Initiative (SBTI)

Have you included your growers and supply chain partners in your process?



## Yes continue to page 18

#### **ENGAGEMENT PHASE**



Engagement: You are engaging growers and supply chain partners to meet your goals.

#### **Sourcing Decisions**

You are choosing trial partners, socializing your action plan, and assigning responsibilities to each partner.

#### **Emissions Reporting**

You're creating a system to quantify your baselines and interventions in accordance with industry standards.

#### **Supporting Products & Tools**

MRV tools, like Regrow's, and life cycle analysis reporting from partners can help quantify baselines, model the impact of interventions and engage supply chain partners.



**Explore Regrow's MRV tool** 



<u>Learn more about Regrow's role in ecosystem</u> <u>markets</u> Are you developing and scaling your program with supply chain partners?



## Yes continue to page 19

#### **IMPLEMENTATION PHASE**

#### Stage

Implementation. You are deploying, refining and scaling your program

#### **Sourcing Decisions**

You are implementing and measuring your emissions reduction program in key supply sheds, then expanding the scope of that program

#### **Emissions Reporting**

You are reducing emissions, generating insets, providing defensible reports and meeting your goals with scalability.

#### **Supporting Products & Tools**

MRV tools, like Regrow's, and life cycle analysis reporting from partners can help you implement your program and make an impact throughout your supply chain.



**Explore our work with Cargill** 



**Explore our work with Anheuser-Bush** 



## Ready to take the next step?

If you're confident in your goals, program engagement and implementation, it's time to take your efforts to the next level. With Regrow, you can make your plan scalable and accessible across multiple supply chains, sources and ingredients.

Email hello@regrow.ag to explore our tools, which can help you identify new opportunities in your supply chain, increase your scope and broaden your impact.

Contact Us

## Regrow Innovation

Regrow's innovative tools are a direct result of our company's roots and expertise in soil health modeling, agronomic decision support and big data, along with the supporting innovations that allow us to scale.

These inputs make Regrow uniquely positioned to support the transformation of the food and agriculture industry, and to meet the growing demands of our modern consumer within the boundaries of our planet.



#### Scientific Models

Our best-in-class scientific models enable us to understand and predict the behavior of soils and crops around the world.

#### Remote Sensing

We use a near-real-time, satellite imagery-based mapping of the factors shaping the agricultural landscape.



#### Ground-Truth Data

We tap into the network of ground-truth data from farm equipment and farm management systems to bolster our data and confirm our models.



## Ready to Revolutionize Your Supply Chain?

Take your procurement and sourcing process to the next level with a system that's innovative, data-backed and scientifically rigorous. Meet your sustainability goals and make sure your brand stands the test of time.

Start a Conversation

