

Stories of change 2023

Accelerating action towards a sustainable future

February 2024





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Introduction



First Global Stocktake signed by almost

200

countries at COP28, including a pledge to triple renewable energy capacity by 2030.

From El Niño and rampant wildfires to record sea ice loss, 2023 was another alarming year for the environment and the communities that rely upon it. With average temperatures for the year just 0.2° under the 1.5° threshold determined by the IPCC, now is the time for companies to step up and commit to truly transformative action if we are to avoid the most catastrophic effects of climate change.

2023 was a landmark year for the environment – but not for solely negative reasons. Whilst a record 45.7 million acres of the United States alone burned in wildfires in 2023, last year also saw historic developments within the environmental space, such as a long-overdue first Global Stocktake signed by almost 200 countries at COP28, including a pledge to triple renewable energy capacity by 2030..

It was also a milestone year for CDP, as we announced over 23,000 companies disclosing environmental data through our global disclosure system, which we expanded to cover plastics for the first time, following our expansion into biodiversity disclosure the year prior. Over 3,000 companies disclosed plastics-related information, in the same year that negotiations gained traction towards a Global Plastics Treaty, set to be agreed by the end of 2024.

Whether through disclosing at record rates, or through the initiatives featured in this report, companies are demonstrating their readiness to take environmental action. In CDP's 2023 Stories of Change, we explore examples from major companies that demonstrate what environmental action can look like in practice, and highlight the tools available to support companies on their climate journeys and along with the steps required to reduce their impacts on the environment and protect the ecosystems we all rely upon.

Scaling action along supply chains

Recognizing that procurement represents the primary contributor to their scope 3 emissions, global pharmaceuticals manufacturer Pfizer are working to accelerate change across their supply chain by driving 64% of suppliers by spend to set science-based greenhouse gas emission reduction targets by 2025. In 2023, they also ran a virtual supplier summit to communicate their expectations and provide resources, which was attended by over 1,200 participants from more than 650 companies.

Japanese shipping and logistics company Nippon Yusen announced raised ambition on greenhouse gas emission reduction targets in 2023, with a medium-term target to achieve a total greenhouse gas emissions reduction of 45% by FY2030 (versus FY2021) aligned with the Paris Agreement 1.5° scenario. They also expanded the scope of the NYK Group's 2050 net zero emissions target to include Scope 1, 2, and 3.



We hope Stories of Change 2023 will inspire companies across the global economy to take ambitious and decisive action on climate and nature in order to build a sustainable future for people and planet.

Protecting and preserving nature

In 2022, Denmark-based mobile network provider TDC Net was the first company in the world to have their 2030 net-zero target validated by the Science Based Targets initiative, and in 2023 they set their sights on a new milestone, becoming the first company in the world to adopt recommendations from COP15 by setting a target to preserve 30% of their land for nature by 2030.

Japan-based healthcare company Daiichi Sankyo are also taking action to reduce impacts on nature by collaborating with other pharmaceutical companies to promote environmentally friendly pharmaceutical packaging, including the use of Press Through Pack sheets, which are made of biomass materials instead of petroleum-based plastics, along with more compact packaging and recycled packaging materials.

Investing in environmental solutions

Last year, information technology firm Sopra Steria Group announced a commitment to embed climate action into financing by indexing annual margins to a reduction in greenhouse gas emissions. In 2023, the company made a strong start on implementing this green financing program by meeting its first-year target and developing plans to direct the savings made to fund climate innovation projects.

Global cosmetics brand L'Oréal also launched a new green financing initiative in 2023 in the form of their L'Oréal Climate Emergency Fund. The €15 million endowment fund is designed to support vulnerable communities to build climate resilience, and brings the L'Oréal Groupe's total investments to more than €200 million across programs including the L'Oréal Fund for Nature Regeneration and the Circular Innovation Fund.

Supporting companies in developing environmental best practice

Renewable energy solutions provider ACT Group supports companies in their climate transitions by providing renewable energy, renewable and sustainable biofuels, and biomethane or renewable natural gas, procured in alignment with strategies tailored to their unique needs and goals. They also provide expert environmental consultation services to help organizations accurately calculate their total emissions profiles and set both near and long-term targets for reductions.

Software solutions provider Emitwise supports companies to level the playing field among suppliers and coordinate climate action across their supply chains with confidence. In their joint profile, Emitwise and real estate company CBRE explore how Emitwise's new supplier engagement module, Procurewise, was able to support CBRE to gather primary Scope 3 data from over a thousand suppliers in order to understand, align and galvanise suppliers on a joint decarbonization journey.

ACT Group

Global renewable energy solutions provider



Continuously taking action to decarbonize any organization until it reaches net zero emissions is a challenge — but it's a challenge our end-to-end solutions are designed to meet. From goal setting to emissions accounting, reduction, managing, offsetting, and reporting, we've helped thousands of organizations globally on each step of their climate journey using best practices. We specialize in providing organizations with scientifically sound environmental solutions so they can decarbonize and meet their unique environmental goals with transparency and confidence.





Empowering climate action globally with end-to-end decarbonization solutions

Tips for success

- ▼ **Start today.** Decarbonizing takes time, especially when it comes to reducing emissions from sources outside of an organization's direct control, like Scope 3 emissions.
- ▼ **Take each step in the correct order.** Action without direction and proper engagement can create avoidable obstacles and delays in the long term.
- ▼ **Prioritize data quality.** When it comes to decarbonization strategies, emissions are numbers, so the only way to ensure success is to work with high-quality data.
- ▼ **Get support.** Working with a trusted climate action partner can help centralize processes, increase long-term transparency and target alignment, and reduce redundancies and administrative burdens.
- ▼ **Disclose.** Disclosing high-quality data gives organizations a competitive edge, risk and opportunity insights, transparency for stakeholders, and ensures action remains aligned with long-term targets.

Continuously taking action to decarbonize any organization until it reaches net zero emissions is a challenge — but it's a challenge our end-to-end solutions are designed to meet. From goal setting to emissions accounting, reduction, managing, offsetting, and reporting, we've helped thousands of organizations globally on each step of their climate journey using best practices. We specialize in providing organizations with scientifically sound environmental solutions so they can decarbonize and meet their unique environmental goals with transparency and confidence.

Setting goals and understanding your emissions

Although every organization will have a unique climate journey, they will take the same first steps – setting their goals and gaining a comprehensive understanding of their emissions.

Through our expert environmental consultation capabilities and innovative technological solutions, we help organizations accurately calculate their total emissions profile and set both near and long-term targets.

With our solutions, organizations can efficiently calculate their emissions across source categories in alignment with the Greenhouse Gas Protocol's framework to gain a complete, detailed picture of their emissions profile. Using this detailed picture, we work to establish the organization's goals and identify areas to address in the near and long term to optimize their strategy.

Whether their goal is to earn an environmental leadership position in their industry, reach net zero, meet environmental regulations, or improve their environmental performance to attract investors— we help them set it and achieve it.

Taking action to reduce your emissions

The most important step for every organization on its climate journey is to take action and directly reduce its emissions. We enable organizations to decarbonize by helping them navigate and access complex global environmental markets and source low-emissions alternatives to the emission-intensive commodities they use. We offer renewable energy, renewable and sustainable biofuels, and biomethane or renewable natural gas, procured in alignment with strategies tailored to their unique needs and goals.

We also provide organizations with comprehensive decarbonization solutions designed to efficiently reduce emissions from difficult sources, such as those stemming from a complex supply chain, and portfolio or franchise companies.

Mitigating your unreduced emissions and making an impact

To complement an organization's decarbonization efforts and help them mitigate their unreduced emissions while they work towards their long-term goals, we offer organizations high-quality carbon credit procurement, as well as the opportunity to develop their own high-impact climate project.

Developing a project provides organizations full transparency on the project their carbon credit procurement supports and allows them to make and monitor impacts aligned with their values year-over-year. We focus on science-based design and ensuring projects meet the highest level of quality and integrity standards. Our on-the-ground project execution and operational approach ensures the sustainable development our projects support is meaningful, measurable, and tangible. Using our expertise, vast network, and a variety of technologies, we support the entire process from project opportunity identification to credit certification and cancellation on a global scale.

Disclosing your decarbonization progress

A key step in an organization's on-going decarbonization process is to measure and report its progress towards achieving its long-term emissions reduction targets. Our solutions enable organizations to streamline this process with centralized measuring and automatic report generation — formatted and ready-to-deliver to major disclosure frameworks like CDP.

Achieving your decarbonization goals with a true climate action partner

The drive to help organizations overcome their shared and unique decarbonization challenges has shaped the way we have expanded and scaled ACT's physical presence and offering. Our dedication to ensuring every organization globally has the tools to take climate action will continue to shape how we innovate and grow in the future.

Colin Crooks, CEO

CBRE & Emitwise

Real estate and software solutions provider, UK

The primary purpose of financial management is to ensure a company's longevity, and carbon management is just as vital for future-proofing. It stands to reason that we must approach decarbonization with the same rigor as financial management.

Decoupling business growth from Scope 3 emissions

Tips for success

- ▼ **The what:** Data-driven collaborative action that makes decarbonization possible for suppliers of every size and maturity.
- ▼ **The why:** Decoupling business and spend growth from increased emissions estimations by focusing on high-impact pathways to net zero.
- ▼ **The how:** Utilizing innovative technology like Emitwise, enabling Scope 3 measurement and management at scale and with increased precision.

Reducing Scope 3 environmental impacts can feel like a stab in the dark. However, hesitancy isn't an option for companies like CBRE with a 2040 Net Zero commitment to achieve.

Having a spend-based understanding of their Scope 3 purchasing emissions already, real estate company CBRE knew that to accelerate decarbonization action across their supply chain, they'd need an approach that could:

- ▼ Engage suppliers of all sustainability maturities and gain actual or primary data
- ▼ Calculate emissions and engage at scale
- ▼ Be mutually valuable for suppliers and CBRE
- ▼ Empower procurement and suppliers to make low-carbon decisions
- ▼ Increase the accuracy of CBRE's, their clients' and their suppliers carbon accounts

The overarching goal was to attain a level of visibility that enables the data-driven decision-making needed to achieve net zero. Emitwise, the carbon management platform, was the technology partner to tick these boxes.

Emitwise was developing a supplier engagement module, Procurewise, to enable large enterprises to understand, align and galvanize suppliers on a joint decarbonization journey. CBRE became a pivotal customer in the software's development.

The aim was to make the programme easy and valuable for suppliers to participate in. Procurewise is tailored to the carbon maturity of the supplier, from primary data requests to communication and support. The Emitwise automated carbon calculation engine meant engaging suppliers at scale was finally possible.

Within 12 months of launching, 1,500 CBRE suppliers were onboarded to Procurewise, and another 6,000 are expected to be enrolled soon.

"Decarbonizing supply chains requires breakthroughs in using technology and data in new ways to simplify the challenges of managing complex value chains," said CBRE's Chief Sustainability Officer Robert Bernard.

Suppliers who haven't calculated an emissions baseline already get a zero-cost way to do so, thanks to Emitwise's automated calculator. Mature suppliers simply verify publicly available emissions information and submit evidence to participate.

With 80% of suppliers deemed very early in their decarbonization journey, a proportion similar to most supply chains, this approach to supplier engagement levels the playing field. Every supplier is able to accelerate their decarbonization strategy with support from CBRE. After the results are delivered, the collaboration can begin.

Through the platform, CBRE can visually understand how each supplier's planned reduction initiatives affect their own ability to hit their net zero targets. With clarity over where the emission hotspots are, targeted action can be prioritized, and collaborative initiatives rolled out to address carbon risk areas of the supply chain. This includes activating a network effect of climate action by expanding the reach to tier 2 and 3 suppliers.

"Collaboration is the only way to make net zero possible. CBRE can't meet its decarbonization goals without alignment across our supply chain, and we have approached this programme from that perspective," said Mat Langley, Global Procurement Head of Sustainability. In the same way, CBRE's customers benefit from the company's focus on reducing supply chain emissions. With many themselves having ambitious net zero targets to hit or aspirations to set them, working with a low-carbon Scope 1 and 2 property partner is helpful, and a well-managed Scope 3 provider is a significant accelerator.

Beyond decarbonization targets, CBRE is using this program to offer clients transparency in the supply chain, more accurate emissions data, and the ability to influence and differentiate CBRE within the real estate market. This demonstrates the possibility of decoupling business growth from emissions produced for a profitable net zero strategy.

With ever-growing scrutiny on corporate emissions management, initiatives and promises, alongside the impending requirements of financial-grade auditing of carbon accounts, the need for primary Scope 3 data is becoming clearer. With it comes the ability to improve reporting accuracy and, importantly, increase accountability on decarbonization activities.

Mauro Cozzi, CEO and Co-founder, Emitwise; and Robert Bernard, Chief Sustainability Officer, CBRE

Daiichi Sankyo

Healthcare, Japan



In order to fulfil Daiichi Sankyo Group's purpose of "Contribute to the enrichment of quality of life around the world," we are promoting initiatives to combat the human health impacts of climate change, not only the direct adverse effects on health such as heat stroke, but also impacts on the health care system, for example, through changes in disease structure and the deterioration of sanitation. Therefore it is necessary to incorporate climate action into the company's mid-term management plan and to promote its importance.



Climate change initiatives based on Daiichi Sankyo Group's materiality

Tips for success

- ▼ **State a clear policy.** The Daiichi Sankyo Group has stated a policy of promoting environmental management as a materiality of our 5-Year business plan, which states our commitment: "To achieve our goal of carbon neutrality by 2050 and, as a healthcare company, proactively reduce the environmental impact of our business operations and implement advanced climate change countermeasures."
- ▼ **Clearly set a goal for the entire group.** The Daiichi Sankyo Group has set a mid- to long-term numerical target of 42% emissions reduction in FY2025 and 63% reduction in FY2030 compared to FY2015 emissions, consistent with the 1.5°C target of the Paris Agreement. The goal for the entire group is clearly stated. To achieve these goals, the company will report its the renewable electricity utilization rate, supplier engagement, and other targets.
- ▼ **Have clear and concrete measures that can be implemented by the entire group.** The Daiichi Sankyo Group is making group-wide efforts to promote specific measures, such as the installation of on-site solar power generation facilities, the use of renewable energy through the utilization of renewable energy certificates, and thorough energy-saving measures for new buildings.
- ▼ **Involve stakeholders to promote climate change initiatives throughout the value chain.** The Daiichi Sankyo Group has been promoting PTP (Press Through Pack) sheets made of biomass materials to replace petroleum-based plastics, compact packaging, and recycled packaging materials through inter-company collaboration with other companies in the industry.

Daiichi Sankyo Group's purpose is to "Contribute to the enrichment of quality of life around the world." To realize this purpose, we set our mission to "create innovative pharmaceuticals addressing diverse medical needs." We aim to be a company that continues to take on the challenge of providing innovative solutions as well as solving social issues by creating innovative pharmaceuticals and contributing to SDGs (Sustainable Development Goals). This brings us closer to the realization of our 2030 vision of being an innovative global healthcare company contributing to the sustainable development of society.

In our current 5-year business plan (FY2021-FY2025), we clearly stated our commitment to promote ESG management. We have identified material issues that must be addressed to achieve sustainable growth and are promoting ESG management through materiality initiatives. Promoting environmental management is one of Daiichi Sankyo Group's materiality initiatives'. Our commitment states. "To achieve our goal of carbon neutrality by 2050 and, as a healthcare company, proactively reduce the environmental impact of our business operations and implement advanced climate change initiatives." In addition to this, we have set CO₂ emissions (Scope 1 and Scope 2, Scope 3 Category 1), supplier engagement, and renewable electricity usage rate as targets, and climate change-related KPIs.

As for our targets to reduce CO₂ emissions across Scope 1 and 2 by 2025, we revised the target to a more ambitious one consistent with the 1.5°C target of the Paris Agreement of 2022. We now aim to achieve a 42% reduction in FY2025 and 63% reduction in FY2030 compared to FY2015 emissions. To achieve these targets, we will aim to procure 60% or more renewable electricity (which is our target for FY2025) and to procure 100% electricity from renewable energy sources as early as possible in FY2030. In August 2023, we submitted a letter to the Science Based Targets initiative (SBTi), committing to achieve net-zero greenhouse gas emissions by 2050, and we are in the process of developing a transition plan to achieve this.

Amongst specific measures toward these targets, we have installed on-site solar power generation facilities at Onahama Plant (Japan), Pfaffenhofen Plant (Germany), and Shanghai Plant (China). In addition, we are reducing CO₂ emissions by switching to electricity generated from renewable energy sources through the use of renewable energy certificates with tracking at our business sites. In addition, the newly-constructed administration

building at the Onahama Plant has acquired Nearly ZEB* certification, and we are also working to conserve energy in buildings by installing high thermal insulation, renewable energy systems, and natural lighting.

As for Scope 3 CO₂ emissions, we have set a target of 15% reduction of Category 1 emissions per unit of sales by FY2025 compared to FY2020, and we have also set a supplier engagement target to see 70% or more of our suppliers set a 1.5°C level target by FY2025. We will actively engage with our suppliers and accelerate our supply chain towards carbon neutrality from FY2023.

In addition to our supplier engagement work, we also engage in business-to-business collaboration with other pharmaceutical companies to promote environmentally friendly pharmaceutical packaging, including the use of Press Through Pack sheets, which are made of biomass materials instead of petroleum-based plastics, along with more compact packaging and recycled packaging materials.

In the future, we aim to contribute to the realization of a decarbonized society by proactively utilizing decarbonization technologies such as hydrogen utilization, net zero energy building, electric vehicles, and next-generation storage batteries.

We recognize that climate change affects health not only through direct adverse impacts such as heat stroke, but also through impacts on the health care system, for example, through changes in disease structure and the deterioration of sanitation. As important management issues for a Global Healthcare Company, we will continue to proactively challenge the issues of climate change in future years.

* A building that is nearly a Net Zero Energy Building (ZEB: a building in which the net energy consumption (energy consumption minus energy generation) is zero), cutting net energy consumption by 75% or more.

Sunao Manabe, Representative Director, Executive Chairperson & CEO

L'Oréal

Manufacturing, France



At L'Oréal, we are aware that we are reaching a pivotal moment, where we need to intensify our efforts and engage our whole ecosystem. It is only together that we can maximize our positive impact on people and the planet.



Building on accomplishments and inspiring stakeholders to take action with us

Tips for success

- ▼ **Develop a compelling vision for corporate sustainability**, championed by top leadership, seamlessly integrated into your company's overall strategy, and executed by dedicated teams responsible for sustainability initiatives.
- ▼ **Compile a range of ambitious sustainability goals rooted in scientific principles**, addressing both your direct and indirect impacts.
- ▼ **Foster global collaboration among teams and encourage robust sharing of best practices**, particularly emphasizing collaboration between marketing, research and innovation, and operations.
- ▼ **Establish a commitment to transparency**, aiming for open dialogue to involve suppliers, external stakeholders, NGOs, and local communities in the creation of meaningful and effective projects.
- ▼ **Involve consumers in your sustainability journey** by publicly disclosing transparent and comprehensive information about the environmental impact of your products.

With the conviction that organizations can be part of the solution to the challenges the world is facing, the L'Oréal Groupe has been committed to tackling climate change for over 20 years, engaging in a range of ambitious sustainability objectives. After the launch of our first sustainability program, and building on our previous achievements, we announced in 2020 a second generation of specific objectives for 2030 as part of our L'Oréal for the Future program. As part of this, the Group pledged to respect planetary boundaries – what the planet can withstand, as defined by environmental science.

In 2015, we undertook work to define Science-Based Targets (SBTs) across our entire value chain, which were validated by the Science Based Targets initiative (SBTi) in 2017: to reduce greenhouse gas emissions on our scopes 1, 2 and 3 by 25% in absolute value by 2030, compared with the 2016 baseline. As members of the 'Business Ambition for 1.5°C' initiative, we have also committed to net-zero emissions by 2050.

In 2020, we chose to apply the same methodology for the sustainable management of water, biodiversity and resources. We committed to a target stating that by 2030 all water used in the Group's industrial processes would be recycled and reused in a loop on our sites. Additionally, the Group launched a Green Sciences program to drive sustainable innovation through the development of raw materials based on crops biotechnology and fermentation, 'green' extraction and regenerative practices that reduce impact on soil, water and biodiversity.

In 2023, we resubmitted our new decarbonization trajectory in line with the new requirements of the SBTi Net-Zero Standard. As we approach 2025 – the target date by which all our Group's sites must exclusively use renewable energy – we need to focus on the next steps to engage our entire ecosystem, supporting the transition to a more sustainable business model. Our supplier engagement strategy and dedicated Spread the Green Vibes program are an illustration of our determination, where we are working with suppliers to reduce their direct emissions by 50% by 2030 in absolute terms compared to 2016.

We have also joined forces with our suppliers to develop our global inclusive sourcing program and share our growth with all our stakeholders. In 2022, over 85,000 people from socially or economically vulnerable backgrounds accessed work through this program, which uses L'Oréal Groupe's purchasing power to serve social inclusion.


To demonstrate accountability and inform consumers on the sustainability of our products, L'Oréal has developed an environmental scoring system based on a methodology developed together with 11 independent scientists and experts and aligned with the European Commission guidelines to scientifically evaluate a product's environmental footprint. It offers a transparent assessment based on 14 impact factors at every stage of a product's life cycle. We are progressively making information on the environmental and social impacts of our products freely accessible, through a labeling system designed to help consumers make informed choices.

As an industry leader, our conviction is that we have a responsibility to address the world's most urgent environmental and social needs. In 2023, we launched the L'Oréal Climate Emergency Fund to support vulnerable communities to develop greater resilience in the face of climate disasters. This €15 million endowment fund builds on our Group's longstanding commitment to address growing humanitarian and environmental challenges, bringing L'Oréal Groupe's total investments to more than €200 million across several funds, such as the L'Oréal Fund for Nature Regeneration, the Circular Innovation Fund and the L'Oréal Fund for Women.

Nicolas Hieronimus, Chief Executive Officer of L'Oréal

Nippon Yusen

Shipping and logistics, Japan



Appropriately responding to climate change is an important management issue of the NYK Group, and we are aware that it is impossible to realize a carbon-free society worldwide without decarbonizing logistics. To achieve this common goal shared by countries around the world, we will actively work together with diverse stakeholders and strive to reduce greenhouse gas emissions.

Committing to realize a carbon-free society embodying our corporate mission of “Bringing value to life”

Tips for success

- ▼ **Set extremely ambitious medium and long-term targets**, and ensure that they are consistent with organizational growth strategy
- ▼ While it is currently unclear which fuel is the optimal solution for zero emissions, companies should **make diversified investments toward decarbonization with courage**
- ▼ **Act as a first mover for the implementation** of ammonia fuel, which is one of the major contenders to realize zero emissions for ships
- ▼ **Recognize that it is impossible to realize a carbon-free society independently**, and work toward decarbonization through active cooperation with diverse stakeholders

Under the NYK Group’s corporate mission of “Bringing value to life”, we aim to enhance corporate value and create social value by addressing and strengthening the important issue of the NYK Group’s materiality impacts – safety, environment, and human resources.

In March 2023, we released our current medium-term management plan: “Sail Green, Drive Transformations 2026 - A Passion for Planetary Wellbeing”. Under this plan, we have set a new vision for 2030: “We go beyond the scope of a comprehensive global logistics enterprise to co-create value required for the future by advancing our core business and growing new ones”. As ESG management shifts to the implementation phase, the relevant departments were integrated and a new ESG Strategy Headquarters was established to further strengthen ESG management.

In November 2023, we released the “NYK Group ESG Story 2023”, and we are promoting a growth strategy that places ESG at our core, based on the theme of “co-creation for the future”.

Following a resolution by the Board of Directors, we announced raised ambition on greenhouse gas emission reduction targets in the “NYK Group ESG Story 2023”. Our medium-term target is to achieve a total greenhouse gas emissions reduction of 45% by FY2030 (versus FY2021) aligned with the Paris Agreement 1.5°C scenario. We have also expanded the scope of the NYK Group’s 2050 net zero emissions target to include Scope 1, 2, and 3.

The International Maritime Organization (IMO) has set out a greenhouse gas emission reduction strategy for ships employed in oceangoing trades worldwide, including actions such as “reduce total GHG emissions by 20-30% by 2030 (versus 2008)” and “achieve net zero GHG emissions by around 2050”. However, our target for 2030 is even more ambitious than the target set by the IMO. This year, we released the “NYK Group Decarbonization Story” as a strategy directed at achieving this ambitious target.

Setting our sights on 2030 as a milestone on the road to achieving net zero emissions

by 2050, we will reduce greenhouse gas emissions from our existing fleet by improving day-to-day operations and energy efficiency. To achieve the decarbonization of oceangoing ships, we will promote the introduction of new liquefied natural gas-fueled ships as a bridge solution until the realization of zero-emission ships in the future. We expect to build 45 low emission and carbon-free ships, including LNG-fueled ships, by 2030, and we are planning to invest a total of JPY450.0 billion toward decarbonizing our fleet, including low emission and carbon-free ships.

In the 2030s, we will work to commercially introduce and expand the number of next-generation zero-emission ships centered on new ships that use ammonia fuel. We are working with partners in Japan to implement the world’s first ammonia-fueled vessel with a domestic engine (ammonia-fueled tugboat and ammonia-fueled ammonia carrier). The ammonia-fueled tugboat is planned to be delivered in FY2024, followed by the ammonia-fueled ammonia carrier in FY2026. As evidenced by this implementation of ammonia fuel, we believe it is necessary to take immediate action toward realizing zero-emission ships. For those ship types that cannot be decarbonized, we will work to achieve net zero emissions in 2050 through the use of bio fuels and carbon offsets.

Appropriately responding to climate change is an important management issue of the NYK Group, and we believe that it is impossible to realize a carbon-free society worldwide without decarbonizing logistics. To achieve this common goal shared by countries around the world, we will actively work together with diverse stakeholders and strive to further reduce greenhouse gas emissions.

Takaya Soga, President and Group CEO

The Pfizer logo is displayed in a bold, red, sans-serif font. It is positioned in the upper left corner of the image, which shows an industrial facility with various pipes and structures under a clear sky.

Pfizer

Healthcare, US



We're committed to breakthroughs in all that we do. While there is no one solution to the broad reaching challenge of mitigating climate change, through collective action across our value chain we can help advance sustainable solutions for future generations.





Catalyzing supply chain climate action

Pfizer Inc. is a research-based global biopharmaceutical company. We apply science and our global resources to bring therapies to people that extend and significantly improve their lives through the discovery, development and manufacture of medicines and vaccines. Pfizer's purpose—breakthroughs that change patients' lives—fuels everything we do. We live our purpose by sourcing the best science in the world; partnering with others in the healthcare system to improve access to our medicines; using digital technologies to enhance our drug discovery and development, as well as patient outcomes; and leading the conversation to advocate for pro-innovation/pro-patient policies. Every decision we make and every action we take is done with the patient in mind—and to nurture an environment where breakthroughs can thrive.

Tips for success

- ▶ **Set ambitious, science-based targets** and catalyze your suppliers to do the same.
- ▶ **Integrate climate impacts into enterprise risk management processes.**
- ▶ **Partner with industry groups** to advance access to renewable energy and drive greenhouse gas emissions reductions across your value chain.
- ▶ **Integrate sustainability within product and process innovation strategies.**
- ▶ **Recognize staff achievements** through sustainability awards.
- ▶ **Work with suppliers to develop emissions reductions strategies** to help achieve science-based targets.

We recognize global climate change as one of the defining issues of our time, requiring collective action to mitigate the risks it poses such as increased adverse impacts on human health and decreased access to critical medicines and vaccines due to disruptions in value chains caused by the greater frequency of severe weather. We have made significant progress in reducing our company greenhouse gas (GHG) emissions over the past two decades through successive GHG reduction goals. Further detail may be found in our current ESG Report.

Pfizer aims to achieve the Science Based Target initiative's voluntary Net-Zero Standard by 2040, decreasing our company greenhouse gas emissions by 95% and our value chain emissions by 90% from 2019 levels. To advance our ambitious goals we are implementing a range of strategies to achieve reductions throughout our value chain, including advancing site masterplans, focusing on energy efficiency solutions, taking steps to access renewable energy solutions, and urging our suppliers to unite with us in making a commitment to action by integrating ambitious climate impact reduction targets into their management processes.

Procurement of goods and services, which are essential to supplying medicines and vaccines to patients globally, is the most significant contributor to our scope 3 emissions. We are working to accelerate change across our supply chain, driving 64% of our suppliers of goods and services by spend to set science based greenhouse gas emission reduction targets by 2025. To catalyze action, we have integrated environmental criteria in our supplier sourcing, contracting, and performance management processes.

In 2023, we conducted a virtual supplier summit to communicate our expectations and provide resources to assist suppliers in progressing climate action. The event was attended by over 1,200 participants from more than 650 companies and was well-received, with high levels of engagement

and positive feedback. To support suppliers in their decarbonization journeys, we encouraged renewable power purchase agreement education through the Energize¹ program and offered sponsorships for the Activate program, a global pharmaceutical collective action initiative that targets sustainability and greenhouse gas emissions reduction at active pharmaceutical ingredient (API) suppliers including Contract Manufacturing Organizations. By the end of 2023, over 230 suppliers had registered for Energize as a result of Pfizer's invitations and we have sponsored more than 70 participants in Activate. Additionally, based on preliminary data, our 2023 engagement efforts resulted in a significant increase in the number of suppliers by spend that had committed to setting science based emission reduction targets.

We have also continued to make progress in reducing emissions associated with upstream transportation and distribution. We worked internally to educate over 1,500 logistics colleagues on environmental sustainability principles and to improve data and analytics across all markets where Pfizer operates. In 2023 we continued to transition shipments from air to ocean where possible and engaged with our third-party logistics providers to identify and invest in opportunities to use low emission fuels and vehicles to deliver our medicines to markets around the world. We also began working with one of our transporters to pilot the use of electric trucks to decarbonize shipments of our products in certain US locations and are identifying opportunities to reduce transportation emissions in other markets.

While there is no one solution to the broad reaching challenge of mitigating climate change, through collective action across our value chain we can help advance sustainable solutions for future generations.

Louise Proud, Vice President, Global Environment, Health & Safety

¹ Energize is a collaboration between global pharmaceutical companies that provides pharmaceutical suppliers, some of which may not otherwise have the internal resources or expertise available, the opportunity to participate in the market for power purchase agreements.

Sopra Steria Group

Information technology, France



Sopra Steria makes climate action part of 'business as usual' in order to fulfil its ambition to be net zero by 2040 in the most efficient and effective ways possible.



Tips for success

- ▼ **Integrate sustainability into your business lines** and internal operations and govern it at the highest executive level with the same discipline.
- ▼ **Set yourself ambitious, science-based targets** to limit the rise in global temperatures to 1.5°C by setting a target of net zero greenhouse gas emissions, at least on your direct operations and by 2050 at the latest.
- ▼ **Be transparent in your reporting of risks, opportunities and performance against targets** – have your figures independently audited and report them through a trusted environmental disclosure channel such as CDP.
- ▼ **Engage your employees** in your objectives and the programmes that deliver them.
- ▼ **Engage your value chain,** especially your large suppliers and clients; let them know that they contribute to your objectives and encourage them to set their own targets for emissions reductions, collaborating with them in finding ways to reduce emissions.

The climate disasters of 2023 reiterate the urgency of the transformation required to make the global economy net zero. All businesses and organizations must do it. Sopra Steria, a major player in the European tech sector, continues to transform itself by engaging its operations and value chain.

This year, the Science Based Targets Initiative (SBTi) validated Sopra Steria's new target of becoming net zero by 2040. This objective builds on the Group's ambitious commitment to the United Nations (UN) Climate Neutral Now programme since 2020. We measure our environmental performance, set targets and mobilize stakeholders to take climate action, putting it at the heart of our daily operations. We increasingly recognize biodiversity as a purpose and product of such action and aim to integrate it into our policies and plans as part of our drive for continual improvement.

Our persistent commitment has enabled us to anticipate corporate sustainability requirements and take initiatives to address them at pace with regulations. Having processes in place for the measurement and management of environmental impacts and risks has prepared us well for the implementation of the European Corporate Sustainability Reporting Directive (CSRD), for example.

In 2017, Sopra Steria became the first technology services company to have the SBTi validate its long-term, group-wide targets for emissions reductions, which were consistent with those required to keep global warming well below 2°C – the goal of the Paris Agreement. In 2019, the SBTi validated the new and tougher targets that we had set ourselves, which were consistent with the reductions required to keep global warming below 1.5°C.

Continuous improvement has long driven our climate policy; we demonstrated our leadership and renewed ambition in our commitment to the new SBTi Net Zero Standard in 2022 and subsequent validation of our targets in 2023, building on the support that we gave to the SBTi in autumn 2021 by "road-testing" its inaugural Net Zero Standard.

Since 2015, we have reduced direct emissions (those from offices, data centres and business travel) by 77% per employee. We have also raised the proportion of renewables in the electricity that we consume on-site globally from 20% to 99.3% over the same period. Our

performance in managing emissions has earned Sopra Steria a place on CDP's A List for seven successive years now.

Our supply chain is our biggest source of emissions, and so, in our Responsible Procurement Programme, we have engaged our Purchasing Department in climate action by training buyers in responsible purchasing and required our suppliers to commit themselves to a net zero economy; we measure the proportion of them that have set emissions reduction targets. CDP has recognized Sopra Steria's performance in engaging its suppliers in climate action by making it a Supplier Engagement Leader for three years running.

Sopra Steria Group integrates climate action into its financing using green financing mechanisms. In 2022, in an innovative €1.1 billion credit line, the company indexed its cost of finance to a non-financial performance indicator, namely the reduction of its greenhouse gas emissions. In 2023, we successfully met our first-year target, and plan to use the savings made to fund innovative climate projects.

In 'Sustainability for Digital', we integrate sustainability into our digital and tech products and services by measuring their environmental impact and by applying eco-design principles to minimize these impacts. In 'Digital for Sustainability', we also develop solutions that help mitigate climate change, particularly through energy management. In the future we plan not only to continue to work with leading organizations such as the European Green Digital Coalition (EGDC) that develop methods for the measurement of the climate impact of digital technologies in general, but also, as part of our "rAlse" programme, to develop the knowledge and means to estimate the broader environmental impact of artificial intelligence in particular.

Sopra Steria's commitment to climate action, the environment and biodiversity is part of the Group's desire to make digital technology an accelerator and a source of opportunity and progress for all.

Cyril Malargé, Group CEO

TDC NET

Information technology, Denmark



We are proud to be the first company in the world to adopt the ambition from COP15 and set a target to preserve 30% of TDC NET's land for nature by 2030.



Tips for success

We encourage companies to:

- ▼ **Show the burning platform:** Share the impacts of the nature crisis on society and your business with stakeholders
- ▼ **Measure your starting point:** Analyse your footprint on nature to use as a baseline for change
- ▼ **Follow science:** Set an ambition for change aligned with what science recommends
- ▼ **Monitor performance:** Develop concrete KPIs to track and report on progress
- ▼ **Take action:** Build a roadmap to achieve KPIs and start execution now

The state of biodiversity and nature is a growing concern, and it is becoming increasingly important that companies take action to reduce their impacts. The World Economic Forum estimates that USD\$44 trillion are at risk due to the nature crisis and the state of biodiversity is closely linked to risks associated with climate change. To mitigate this risk, COP15 in Montreal set a target of preserving 30% of land and 30% of ocean by 2030. According to the Danish Biodiversity Council, Denmark is far behind this target with only 1.6% protected nature on land and 1.9% at sea.

TDC NET is the leading provider of digital infrastructure in Denmark. We build and operate futureproof digital infrastructure in Denmark with our fibre network and 5G mobile network. TDC NET has connected Denmark for more than 140 years. We believe we have a responsibility to support Denmark in solving the nature crisis.

In 2022, we were the first company in the world to have our 2030 net-zero target validated by the Science Based Targets initiative, which underlines our commitment to sustainability. ESG leadership is an integrated part of our corporate strategy, and we are now expanding our commitment on climate to encompass nature and biodiversity.

We want to connect to not only Denmark, but also Danish nature. Building on this purpose, we are proud to be the first company in the world to adopt the ambition from COP15 by setting a target to preserve 30% of TDC NET's land for nature by 2030.

TDC NET has a physical footprint on nature across Denmark and continues to interfere with nature when we build digital infrastructure.

- ▼ Above the ground, we have more than 6,000 sites across Denmark covering more than 3.2 km²
- ▼ Below the ground, we have more than 250,000 km of digital network cables
- ▼ Below water, we have more than 4,000 km of network cables

We have an opportunity and an obligation to protect Danish nature with our large national footprint and we hope other companies will join us.

We have set the ambition via our 30% land preservation target, but most importantly, we are ready to take action now. In 2024, we expect to onboard the first 10% of TDC NET land for transformation into preserved nature areas. In practice, the 10% in scope is undergoing conservation work. In the years to come we will have line of sight on locations which will bring us close to the target. We still have some unidentified percentages to fulfill our ambition, but we will work hard to close that gap.

Just as they do on climate action, we believe companies have an opportunity and obligation to support nature and take action to solve the major challenges facing our planet. Let's connect to nature – for everyone.

**Henrik Brandt, Chief Financial Officer,
TDC NET**

What support is available from CDP to help you take action?

Over the past two decades, CDP has pioneered environmental disclosure, driving corporate action on climate change, water insecurity and deforestation.

A key element of this journey involves having the expertise and resources to optimize disclosure and turn insight into action. Many of the companies featured in Stories of Change receive this expertise through one of three corporate support services we offer: CDP Reporter Services, the Supply Chain program and our Accredited Solutions Providers (ASPs). A couple of our ASPs – Emitwise and ACT Commodities – are featured above, explaining how they have worked with organizations on their environmental strategies. Supply chain members such as L’Oreal and Daiichi Sankyo Co., Ltd have also demonstrated their action on upstream emissions through Stories of Change. Below is more information on each of the programs and how they could help you take action to accelerate your journey toward environmental leadership.

CDP’s Accredited Solutions Provider Program

CDP accredits leading environmental service providers around the world to help disclosing organizations find high-quality support along their transition to environmental leadership. ASPs support organizations working with CDP to improve their disclosure and take vital action towards a sustainable economy. From science-based targets and renewable energy solutions to software platforms and verification bodies, our accredited providers offer a huge range of expertise and services to help implement your environmental strategy from start to finish.

For more information about our ASPs and how they could help you, please visit the [Accredited Solutions Providers webpage](#) or reach out to our team at partnerships@cdp.net.

CDP’s Reporter Services Program

CDP Reporter Services helps members build expertise in climate, water, and forests management by developing a stronger understanding of reporting requirements in order to increase the accuracy and detail of environmental disclosure and accelerate their journeys towards environmental leadership.

Through one-on-one disclosure account management, comparative peer analyses, strategic data insights, and thought-leadership webinars, Reporter Services supports companies in improving the quality of their CDP disclosure and in strengthening their sustainability strategies.

If you are not a Reporter Services member but would like to learn more about this service then please reach out to our team at reporterservices@cdp.net, or visit the [Reporter Services webpage](#).

CDP's Supply Chain Program

The CDP Supply Chain Program empowers large purchasing organizations to drive environmental action at scale. The program provides members with bespoke account management, actionable data insights (including an inventory of Scope 3 emissions), promotional opportunities, and tailored webinars designed to support their suppliers with disclosure.

Supply Chain membership helps companies identify risks and opportunities across their value chains relating to climate change, water insecurity and deforestation. This valuable Scope 3 data can then be leveraged to track progress, inform procurement decisions, and build resilience.

The climate impact of the program is also tacit – in 2022, 280+ major companies requested 40,697 suppliers to disclose and drove emissions reduction initiatives totalling 70 million tons carbon dioxide equivalent.

For more information and to enquire about membership please visit the [CDP Supply Chain webpage](#) or reach out to our team at supply.chain@cdp.net.



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If you're interested in sponsoring this report next year, please contact brendan.walsh@cdp.net

About CDP

CDP is a global non-profit that runs the world's environmental disclosure system for companies, cities, states and regions. Founded in 2000 and working with more than 740 financial institutions with over \$136 trillion in assets, CDP pioneered using capital markets and corporate procurement to motivate companies to disclose their environmental impacts, and to reduce greenhouse gas emissions, safeguard water resources and protect forests. Over 24,000 entities around the world disclosed data through CDP in 2023, with more than 23,000 companies – including listed companies worth two thirds global market capitalization - and over 1,100 cities, states and regions. Fully TCFD aligned, CDP holds the largest environmental database in the world, and CDP scores are widely used to drive investment and procurement decisions towards a zero carbon, sustainable and resilient economy. CDP is a founding member of the Science Based Targets initiative, We Mean Business Coalition, The Investor Agenda and the Net Zero Asset Managers initiative. Visit cdp.net or follow us @CDP to find out more.