Maxfield leads all CDP’s activities in Europe as Executive Director to drive environmental disclosure, insight and action among companies, financial institutions and local governments, and manages the CDP Europe team and operations. Prior to this role, he held the position of Director of Corporate Engagement at CDP Europe and was previously Vice President of Insights for CDP North America, leading intersectional research and impact work for all CDP stakeholders.

Climate transition plans are vital for corporates to demonstrate to investors and other stakeholders that they have developed an action-oriented and climate science-led strategy that will keep their business and value chain on the pathway to 1.5°C. These plans are what is needed from corporate governance to align with a net-zero world and are therefore a key evolution of our reporting mechanism going forward.

In light of the recent UN report, having more ambitious climate transition plans in place will help governments close the gap between their national commitments and the efforts to enact those commitments.

CDP aims to support corporates in creating credible transition plans that are underpinned by science-based targets and will continue to define and develop guidance while measuring performance against them.

When CDP started more than 20 years ago, few companies, investors and cities were concerned about the impact of their operations on the planet. Indeed, few recognized that climate change, water insecurity, and deforestation would impact them – whether through the physical costs from disaster damage, or the risks from not transitioning business models at pace to keep up.

We have come a long way since then. We have normalized transparency and disclosure is now mainstream: Over 18,700 companies, worth half of global market capitalization, disclosed their environmental data through CDP this year with an increase of 38% since 2021 across all three categories CDP currently covers: climate change, deforestation and water security. These include big names in the sports arena such as Nike, Adidas, Puma, Asics and New Balance. However, a total of 29,700 companies failed to respond to disclosure requests from investors and customers.
Disclosure is the first step in climate action. There are several tangible business benefits from environmental disclosure, from brand value and risk management to uncovering opportunities and tracking progress.

- Reputation: Being transparent about the environmental impacts of your business activities helps protect and improve your company’s reputation
- 87% of companies say it “helps my organization to be more transparent about its environmental impact”.
- Efficiency: 61% say disclosing helps them be more efficient
- Stakeholder confidence: Credible reporting and outcomes make companies more attractive to investors and improves stakeholder confidence.
- 76% of companies say reporting makes them more competitive
- Ahead of regulation: Sustainability reporting helps keep your company abreast of regulations and non-financial reporting requirements.

As policymakers assess during COP27 the progress made towards meeting the Paris Agreement through the Global Stocktake, it is critical that both governments and non-state actors are held to account for progress against their own, as well as national and international, commitments and targets. After a swathe of commitments were made by big business last year, it’s essential we ensure commitments are being implemented, have led to tangible action and hold all actors to account for their progress (or lack thereof). While it would seem that the issue of climate has been somewhat mainstreamed, and targets are gaining increasing traction, impact seems limited. Commitments require more transparency and bolder ambition, with companies and local governments recognizing the benefits of acting early to mitigate business risks and taking a leadership position as our economy urgently moves towards a net-zero emissions, nature-positive model.

An increasing number of companies reporting to CDP are aligning their targets with climate science through the Science Based Targets initiative, including Nike who have set a target to reduce scope 1 and 2 emissions by 65% and scope 3 by 30% and Adidas who have committed to reducing scope 1, 2 and 3 emissions by 30% in 2030, among others. CDP is pushing the private sector to deliver the Paris Agreement.
However, just 256 companies worldwide operating in the textiles, apparel, footwear and luxury goods field have science-based targets in place. We must see more, and this change must be economywide. It is now time to move from ambition to action and ensure a just, equitable and inclusive transition. A 2021 CDP report (https://www.cdp.net/en/guidance/guidance-for-companies/climate-transition-plans) shows that only one third of organizations disclosing through CDP reported actually developing a low carbon transition plan, with apparel and transportation being the worst performing sectors.

Climate transition plans are vital for corporates to demonstrate to investors and other stakeholders that they have developed an action-oriented and climate science-led strategy that will keep their business and value chain on the pathway to 1.5°C. These plans are what is needed to align with a net-zero world and are therefore a key part of the evolution of our reporting mechanism going forward.

CDP aims to support corporates in creating credible transition plans that are underpinned by science-based targets and will continue to define and develop guidance, while measuring performance against them. You can watch CDP’s 2022 disclosure workshop series and webinars here and register for the upcoming ones.

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Did you know?
The WFSGI signed the unfccc climate action fashion charter and we are providing members with examples of how to engage.