Ceres

Working Across Landscapes

An Investor Guide to Managing Nature Risk at Scale

June 2026

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Introduction

Investors have long understood the risks that deforestation and natural ecosystem conversion pose to the companies they're invested in. Yet despite years of engagement and the adoption of corporate policies across at-risk industries, significant work remains.

This report highlights the business imperative for corporate participation in landscape initiatives and provides investors with a clear framework to support them in engagements with companies, particularly those in the food, agriculture, and forestry sectors.

What to Know

The costs of inaction are steep.
When companies fail to manage these risks, the consequences can be severe—supply chain disruptions and direct financial loss. In July 2024, Brazilian meatpacker JBS was fined $64 million for sourcing cattle from deforested Amazon land.

In 2024, **341** companies disclosed engagement in 574 landscape initiatives through the CDP questionnaire[1]

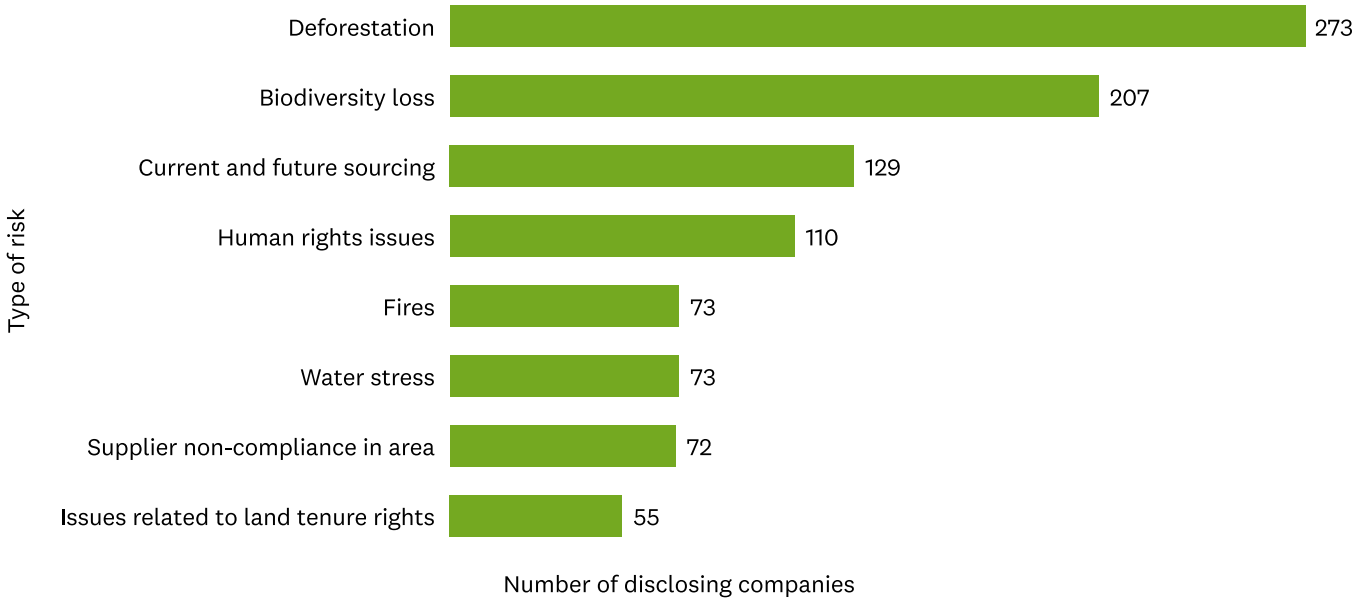
Individual corporate policies and due diligence systems alone are insufficient.
Deforestation and conversion continue to erode the underlying ecological systems that businesses and supply chains depend on. The resulting systemic risks that companies face—from reduced rainfall in the Amazon to historic flooding in Indonesia—extend far beyond the boundaries of any farm, mill, or facility. No single company can manage them on their own.

Investors have a key role to play.
Sustained investor engagement and evolving regulatory expectations have prompted many companies across agriculture and forestry sectors to reduce their exposure to deforestation and land conversion. Several leading food companies, including Nestlé SA and Danone SA, are proving that cleaning up supply chains is possible.

Landscape initiatives offer a powerful path forward.
These collaborative, multistakeholder efforts manage environmental and social risks across defined geographies, such as sourcing regions, watersheds, or administrative jurisdictions, helping companies build resilient supply chains collectively. As a result, a growing number of companies are already capitalizing on the opportunity.

Timber and palm oil are the commodities most commonly covered by landscape initiatives, but companies also disclose support for initiatives tied to **soy, cattle, cocoa, rubber, and coffee** production.

Top reasons companies get involved with landscape initiatives



(CDP, 2024)

Landscape initiatives can deliver benefits beyond stopping deforestation and conversion. For example, they can improve the long-term stability of production systems across an entire region by supporting the adoption of agricultural and forestry practices that contribute to ecosystem restoration, carbon sequestration, enhanced watershed management, and improved livelihoods.

Landscape initiatives can also strengthen supply chain risk management and open up new business opportunities—complementing traditional tools such as traceability systems and supplier monitoring. By pooling capital among multiple companies with additional support from public and philanthropic actors, companies can address climate and nature risks, increase supply chain resilience, meet disclosure requirements, and ensure a social license to operate.

Companies—including **Archer Daniels Midland Co**, **Bunge Global SA**, and **Louis Dreyfus Company BV**—are co-investing in initiatives run by the **Sustainable Landscapes Partnership** to establish resilient production landscapes and secure deforestation- and conversion-free soy. Consumer goods manufacturing giant **Unilever** PLC joined forces with other stakeholders in jurisdictions across Indonesia and Malaysia to mitigate risks specifically tied to palm oil driven deforestation. And the **Carrefour Brazil Group**, alongside IDH (the Sustainable Trade Initiative), and the Brazilian Confederation of Agriculture and Livestock launched an initiative to establish **complete traceability for Brazilian livestock**, from birthing farm to final consumer.

With more companies joining landscape initiatives, it is important for investors to understand and evaluate such efforts to ensure companies' participation is material, aligns with business goals and strategies, and credibly reduces exposure to systemic risks.

Key terms to understand

Landscapes are defined geographic areas with common, interacting ecological and socioeconomic characteristics. A landscape may be delineated based on watersheds, ecosystems, administrative boundaries, social or cultural areas, corporate sourcing sheds, or in other ways.

Landscape or jurisdictional initiatives are collaborative multi-stakeholder programs where companies work with local partners, often in key sourcing regions, to holistically manage complex, interconnected environmental, economic, and social risks across a landscape. They are distinct from projects on individual plots, farms, or production units that do not consider broader areas, land-use types, or objectives. In **jurisdictional initiatives**, the landscape is defined by the administrative boundaries of governments and implementation involves a high level of government involvement.

Business opportunities

Participating in landscape initiatives helps companies reduce risk and strengthen long-term value, in line with investors' focus on capital preservation and sustainable returns. Participation may take many forms, including funding of initiatives, in-kind contributions, direct supplier engagement, preferential sourcing, and other actions.

Mitigating risk

Many environmental and social risks in commodity supply chains, including deforestation, nature loss, climate impacts, and human rights violations extend beyond the control of what individual companies can manage on their own. Yet, these risks are often material, with clear financial, legal, and reputational implications. Landscape initiatives give companies a way to expand their risk mitigation efforts across whole areas of production, which is particularly relevant in areas where regional forest loss and social conflicts outside of companies sourcing areas can create severe downstream impacts and operational disruptions. By coordinating corporate action with government policy and local stakeholders' priorities, landscape initiatives can help businesses manage risks—such as those tied to land rights—while protecting long-term value.

Nestlé SA

Southern Central Forest Spine Landscape

Nestlé recognizes that taking part in landscape initiatives is an important way to address the root causes of its supply chain risks. Investing and engaging in key sourcing landscapes is one of several tools that Nestlé uses in its Forest Positive Strategy. To "get ahead of deforestation risk," Nestlé participates in programs in strategic sourcing landscapes such as the Southern Central Forest Spine Landscape in Malaysia, which provides 8% of the company's palm oil.

The initiative focuses on activities in three thematic areas: integrated spatial planning and land use, No Deforestation, No Peat, No Exploitation (NDPE) socialization and training, and sustainable livelihood development.

To date, Nestlé has engaged with 98 out of the 108 palm oil mills in the landscape on NDPE issues, worked with 16 out of 18 palm oil refineries to adopt NDPE policies, and expanded plantation-level mapping so that palm oil can be traced back to where it was grown. Establishing increased NDPE awareness and adoption and improving origin-level traceability across the entire sourcing landscape helps Nestlé prevent palm oil linked to deforestation from entering its supply chain

Key outcomes

98 of 108 mills and 16 of 18 refineries in the landscape engaged on NDPE.
Plantation-level traceability established across the sourcing area.

International Paper Company/Sylvamo Corporation

Mogi Guaçu River Basin Restoration

When significant forest loss in Brazil's Atlantic Forest triggered a severe drought and strained water resources for local communities and industrial users, International Paper Company turned to landscape restoration as a way to protect its supply chain. In 2018, the company began working with the World Wildlife Fund (WWF) through the WWF Forests Forward program to restore the Mogi Guaçu River basin—a sourcing region critical to the company's pulp and paper operation. After the Sylvamo Corporation spun off from International Paper in 2021 to form a new company, it continued investing in the program.

WWF laid the foundation for restoration by mapping priority areas for restoration, bringing together a multistakeholder group, and establishing partnerships with landowners and local organizations. Restoration efforts, including planting seedlings, supporting natural vegetation regrowth, and promoting agroforestry, have strengthened water stability in the area by improving water quality and availability, enhancing soil stability, and increasing forest habitat.

These efforts are part of Sylvamo's 2030 goals, which include conserving, enhancing, or restoring 250,000 acres of ecologically significant forestland globally, and implementing context-based water stewardship plans at all mills.

Key outcomes

Improved water quality, soil stability, and forest cover in the Mogi Guaçu basin. Program continued after Sylvamo's spinoff and is embedded in company's 2030 corporate goals.

20.5%

the average commodity disclosure volume* covered by credible landscape initiatives[2]

(CDP, 2024)

Enhancing supply chain resilience

Landscape initiatives can increase supply chain resilience by protecting or restoring ecosystems that buffer climate impacts and by helping producers adapt to changing conditions in key sourcing areas. Landscape initiatives often include programs focused on increasing farm productivity, promoting climate-resilient agricultural practices, diversifying farmer incomes, and expanding access to financing. These strategies can help farmers withstand and recover from shocks, ensuring a more reliable, long-term supply chain for companies.

1 in 3

companies in landscape initiatives target specific landscapes to secure strategic commodity supply and build resilience at scale

(CDP, 2024)

JDE Peet's NV

Multi-region landscape initiatives

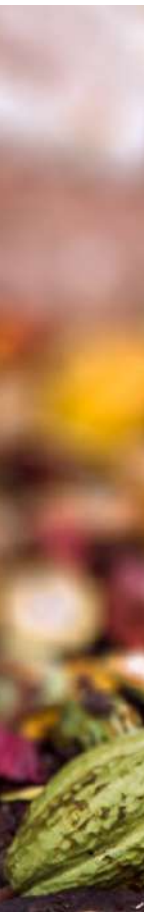
JDE Peet's NV, the world's biggest pure-play coffee company, sources from regions facing systemic pressures that undermine the long-term prospects of coffee production. These pressures include ecosystem degradation caused by deforestation, which can cause raw material risks and potential price volatility.

In response, JDE Peet's Nature Transition Plan backs multi-year landscape initiatives developed with local NGOs, farmer cooperatives, government agencies, and other supply chain partners. Many of these initiatives provide training for farmers in practices such as agroforestry and cover cropping and improve access to inputs and finance. These efforts help strengthen livelihoods, enhance ecosystem health, and reduce exposure to land degradation and climate shocks.

JDE Peet's active projects have reached over 835,000 farmers since 2015—exceeding the company's original goal of 500,000 farmers. JDE Peet estimates its supply chain includes at least 1 million farmers each year. By strengthening the resilience of its farmers, JDE Peet is mitigating the risk of disruption in its supply chain.

Key outcomes

Over 835,000 farmers reached since 2015, surpassing the original target of 500,000. Reduced exposure to land degradation and climate shocks across key sourcing regions.



Mondelēz International

Asunafo-Asutifi Landscape Initiative

Cocoa production both contributes to climate change and faces substantial risk from its impacts. Cocoa expansion consistently follows a predictable deforestation cycle as exhausted soils and declining yields prompt farmers to expand into new forest frontiers. At the same time, rainfall extremes (both severe rainfall and drought) and rising temperatures have led to a 55% drop in cocoa production in recent years across key cocoa-growing areas of Ghana.

To bolster long-term forest protection and cocoa production, companies including Mondelēz International, Inc, Barry Callebaut AG, and J Sainsbury plc's are collaborating with Proforest and other partners in Ghana's Asunafo-Asutifi landscape. The initiative's goals include advancing sustainable, deforestation-free, and climate-resilient cocoa production by rehabilitating priority forest areas, developing agroforestry systems, improving forest governance structures, and restoring major riparian zones.

The collaborative platform allows participating companies to scale their efforts beyond isolated farm-level action, instead contributing to change across an entire sourcing region. In its 2025 CDP disclosures, Mondelēz reports that 91% of its cocoa disclosure volume is covered by this landscape initiative.

Key outcomes

91% of Mondelēz's cocoa disclosure volume now covered by the initiative (CDP, 2025) Agroforestry systems and forest governance improvements underway across the Asunafo-Asutifi landscape.

Establishing effective and cost-efficient supply chain actions

Landscape initiatives provide a platform for companies to share the cost associated with addressing climate and nature risks, including deforestation, while leveraging additional support from governments, philanthropic organizations, financial institutions, and other sources. This includes technical support for mapping suppliers and tracing commodities, building supplier competencies in regenerative agriculture or agroforestry practices, and implementing forest monitoring systems to detect deforestation. Landscape initiatives can make it easier to scale compliance by pooling investment to create large sourcing areas where suppliers meet required standards—which also helps promote smallholder inclusivity. Companies can then reliably buy from different producers without needing to individually assess them.

1 in 5

companies cited landscape initiatives as supporting commodity traceability and monitoring systems

(CDP, 2024)

- Even when companies are required to trace material back to the farm-level, landscape initiatives can help companies reduce costs through shared data systems. For example, IDH, a global nonprofit working to make agricultural and commodity markets more sustainable and inclusive, estimates that such an approach can lower the cost of compliance with the European Union's Deforestation Regulation (EUDR) to a third of what is required for companies to individually monitor supply chains on a farm-by-farm basis.

Addressing regulatory compliance and voluntary disclosure requirements. The collective monitoring and reporting frameworks managed by landscape initiatives can make it easier—and more cost-effective—for companies to obtain quality performance data to use for reporting against a growing body of disclosure and target setting frameworks, regulations, and reporting standards. A selection is highlighted below.

Framework	Landscape initiative alignment
Accountability Framework initiative	**Core Principle** 10 of the Accountability Framework states that companies should contribute to landscape, jurisdictional, and sectoral initiatives to address key social and environmental challenges related to their operations and supply chains. Guidance is available on **Achieving Commitments Through Collaboration**.
Core Criteria for Mature Landscape initiatives	The Landscape Practitioner Network, composed of more than 20 organizations, defined four criteria for mature landscape initiatives: appropriate scale, multi-stakeholder governance, collective goals and actions, and robust monitoring systems.
CDP	The CDP questionnaire includes disclosure requirements for engagement in landscape and jurisdictional approaches. In 2024, over 300 companies disclosed their landscape engagements. These disclosures are assessed against the four Core Criteria established by the Landscape Practitioner Network.
Consumer Goods Forum Forest Positive Coalition of Action	The Consumer Goods Forum's **Forest Positive Coalition of Action**, which includes 21 of the world's largest consumer goods retailers and manufacturers, leverages collective action to remove deforestation, forest degradation, and conversion from key commodity supply chains. As a condition of membership, companies are expected to invest in landscape initiatives on a scale that matches their production-based footprint. **By 2030**, the Coalition aims to transform an area equivalent to its combined footprint to "forest positive." Members currently support a portfolio of 25 landscape initiatives in key production regions.
Corporate Sustainability Due Diligence Directive	Landscape initiatives include stakeholder consultation, risk mitigation, and monitoring for upstream supply chain activities, which are all elements of CSDDD's standards for due diligence.
Corporate Sustainability Reporting Directive (CSRD)	Participation in a landscape initiative falls within the scope of CSRD disclosure requirements. For example, companies are required to disclose any biodiversity and ecosystem-related actions and the resources allocated to their implementation.
EU Deforestation Regulation (EUDR)	Many landscape initiatives include farmer mapping and deforestation prevention efforts. Resulting landscape-level data platforms can help companies obtain traceability and deforestation-related performance data as required under the EUDR.
Greenhouse Gas Protocol Land Sector and Removals Standard	Calculation approaches for land use change emissions now include a jurisdictional direct land use change option applicable when a company knows some of its materials come from a given sourcing area. Landscape initiatives can help companies define the boundaries of their sourcing area.
Science Based Targets initiative - Corporate Net Zero Standard	The Science Based Targets initiative's Corporate Net Zero Standard is currently undergoing **major revision**. Proposed updates may allow indirect mitigation claims at the landscape or jurisdictional level in complex supply chains when direct emissions tracing is difficult.
Science Based Targets initiative—Forest, Land and Agriculture (FLAG)	Under SBTi FLAG, companies operating in land-intensive value chains are expected to account for land-based emissions and removals, set FLAG science-based targets, and establish no-deforestation commitments. Several **recommended mitigation activities**, such as agroforestry, biodiversity conservation, ecosystem restoration, and no-deforestation and no-conversion, parallel actions commonly included in landscape initiatives.
Science Based Targets Network—Land Target	The Science-Based Targets Network (SBTN) expects companies to set **Landscape Engagement targets** to improve the ecological and social conditions in key landscapes in their value chains.
Taskforce on Nature-related Financial Disclosures	Company engagement with landscapes, basins, or seascapes is a key component of the Taskforce on Nature-related Financial Disclosures' (TNFD) **Guidance on Nature into Transition Plans**. The **LEAP approach** can help companies identify which locations to prioritize for landscape-level engagement.

Maintaining a social license to operate

Landscape initiatives provide a way for companies to prioritize the rights and needs of the producer communities they source from and resolve or avoid land disputes that can directly impact physical assets and operations. Land use planning must take place at the landscape scale and must involve multiple stakeholders, such as producers, community members, civil society organizations, and government officials, to ensure effective, equitable land allocation and conservation. Building trust with local stakeholders also helps companies reduce the risk of conflict in sourcing areas and maintain their social license to operate. This minimizes corporate exposure to potential reputational risks that can impact business and investment value.

13%

of companies disclose that their engagement protects and recognizes rights to land and resources while reducing land-related conflicts

(CDP, 2024)

Bumitama Agri Ltd.

Bumitama Biodiversity and Community Project

Bumitama Agri Ltd, an investment holding company that manages palm oil plantations and mills in Indonesia, adopted a No Deforestation, No Peat, No Exploitation (NDPE) policy in 2015. However, the company has faced historical land disputes with community members regarding the legality of its permits—challenges that reflect broader structural issues in Indonesia, where local communities and smallholders often lack formal land ownership titles.

To support effective NDPE policy implementation and maintain its social license to operate—while expanding its conservation footprint—Bumitama chose to engage in a landscape initiative, the Bumitama Biodiversity and Community Project (BCCP), supported by IDH, Aidenvironment (a non-profit that researches and implements projects to advance sustainable landscapes and value chains), government officials, and other partners.

Initiative activities include facilitating an inclusive, participatory approach to land use planning and alternative livelihoods, giving stakeholders the opportunity to collectively identify land for production, livelihoods, and forest protection, agree upon land uses, and obtain formal recognition from local and national governments. By empowering local communities to influence land-related decisions in the landscape, Bumitama has reduced future risk of conflict. The company continues to support the BCCP to this day.

Key outcomes

Risk of land-related conflicts reduced through formal community land use agreements. Continued support of the BCCP.

Engagement considerations

Company involvement in landscape initiatives has increasingly become an important business strategy for investors to understand. By evaluating whether a company is involved in landscape initiatives and assessing the business materiality and the maturity (the extent to which an initiative can deliver lasting positive impact) of the initiatives, investors can gain insight into how companies are addressing business risk, building supply chain resilience, or creating value in line with the business cases previously outlined.

Materiality

The materiality of landscape initiatives to a company's operations and supply chains is influenced by the severity of the risks, such as deforestation, social conflict, or nature loss, that are being mitigated by the initiatives, as well as the company's exposure to those risks. These strategic, material considerations are important for determining whether a company's investment supports risk management or value creation.

1/ Link to high-risk commodities and geographies. Initiatives that meaningfully contribute to risk mitigation will focus on high-risk or highly material commodities and sourcing regions. High-risk commodities include those sourced from locations where the company highly impacts nature, including through deforestation and natural ecosystem conversion, highly depends on nature, or produces significant Forest, Land and Agriculture (FLAG) emissions. The TNFD LEAP approach and SBTN Steps 1 and 2 are two methods companies can follow to identify locations that they should prioritize.

- **Good practice**

  Unilever discloses that its landscape investments focus on palm oil sourcing regions that are key to its supply chain. The company also discloses that its involvement in these programs supports its Protect and Regenerate Nature Goals, including its goals to achieve a deforestation-free palm oil supply chain, attain 100% sustainable palm oil sourcing, protect and regenerate 1.5 million hectares of land, forest, and ocean by 2030, and empower farmers and smallholders to protect and regenerate farm regions.

- **Good practice**

  Archer Daniels Midland discloses that its partnership with Produzindo Certo, an ag-tech company that monitors sustainable production, and the Farmer First Cluster initiative covers 25% of the company's soy volumes. The initiative, focused on accelerating deforestation- and conversion-free production across the Brazilian Cerrado, provides soy farmers with technical support, financial incentives, and training in regenerative practices.

2/ Procurement practices and commodity supply chain characteristics. Landscape initiatives focused on ending deforestation are more likely to be material for companies that have supply chains with one or more of the following characteristics:

- The company sources large commodity volumes
- The quality or characteristics of the commodities sourced by the company differ by region (for instance, regional coffee)
- The company consistently sources from the same region
- The commodity supply chain includes a large number of smallholders
- The company sources multiple commodities (such as palm oil and pulp) from the same region

3/ Connection to company strategy. Through the global reach of their operations and supply chains, companies may interact with nature in thousands of locations around the world. Based on assessments of how they impact and depend on nature and what risks and opportunities they have, companies are expected to adopt geographically tailored solutions. Under landscape initiatives, companies can leverage the specialized knowledge, local expertise, and technical knowhow of other actors to design, implement, and manage these solutions. It is important that companies clearly communicate how the objectives of a landscape initiative align with their corporate strategy for managing risk through deforestation- and conversion-free supply chains, delivering broader nature or climate targets designed to ensure the long-term success of their businesses, or fulfilling other ecological or social goals.

How landscape initiatives can support corporate strategy

Climate	Landscape initiatives are not a replacement for climate transition plans, but ...	... they support FLAG emission removals through nature-based solutions and reductions by safeguarding forest landscapes.
Deforestation	Landscape initiatives are not a replacement for deforestation and conversion-free (DCF) policies but...	... they supplement efforts to achieve DCF sourcing commitments by establishing collective systems for tracing commodities, monitoring deforestation, and certifying suppliers—while garnering government policy support.
Nature	Landscape initiatives are not a replacement for corporate targets on nature but ...	... they provide an implementation strategy to progress nature targets by conserving and restoring natural ecosystems, promoting the rights of Indigenous Peoples and local communities, and advancing sustainable production practices, such as regenerative agriculture and agroforestry—while aligning with local priorities and securing local stakeholders' buy in.
People	Landscape initiatives are not a replacement for commitments to recognize and respect the rights of Indigenous Peoples and local communities, but ...	... they help establish safeguards to ensure rights are upheld through a full, meaningful, and effective free, prior, and informed consent (FPIC) process and that benefits are equitably shared.

Initiative maturity

In the context of landscape initiatives, "maturity" refers to whether a program has the elements in place to create positive impact and resilience over time. Initiative outcomes are typically only measurable on prolonged time scales (five year minimum). However, initiatives that are built around four Core Criteria for Mature Landscapes can give companies and investors greater confidence that they will deliver on the stated goals. High-level considerations for good practice in each area are summarized below.

Nearly 5 million

hectares, the average size landscape initiative that companies are participating in

(CDP, 2024)

1/ Scale. To meaningfully reduce systemic risks such as deforestation and nature loss, it is fundamental that landscape initiatives work across an area large enough to shape the underlying conditions in sourcing regions that are driving these risks. Operating at this scale enables companies, governments, and local stakeholders to coordinate land-use decisions and manage resources in a coherent way. While they typically operate at a scale of hundreds of thousands of hectares, they may be larger or smaller, depending on the landscape context. Initiative boundaries often correspond to a recognized geographic, administrative, or ecological boundary.

2/ Multistakeholder governance process or platform. It is important that the initiative's governance structure facilitates meaningful participation from key landscape actors, including local government representatives and Indigenous and local community members, in initiative design, implementation, and monitoring. Government support, in particular, is vital for addressing underlying issues such as land use rights and ensuring durable performance improvements. To reduce environmental and human rights risks and ensure community support, the initiative's governance structure should also follow clear and transparent decision-making processes, coordinate actions and progress tracking, and provide safeguards such as grievance mechanisms.

3/ Collective goals and actions. It is critical that participatory planning processes underpin the development of initiative objectives, aligning them around the needs of specific places and the people living there. Action plans should explicitly target underlying drivers of systemic issues—such as nature loss and deforestation—by pursuing a combination of economic, environmental, and social priorities that will support economic productivity, local livelihoods, environmental sustainability, and human well-being in the long term.

4/ Collective monitoring frameworks. Collective monitoring frameworks provide an overarching governance structure for verifying and reporting performance. This enables robust and transparent progress reporting, facilitating claims about landscape-level outcomes and helping to validate any individual claims companies may make.

Since most initiatives build maturity over time, it makes sense to support nascent initiatives rather than just focusing on the most mature. Early investment in less mature landscape initiatives can play a catalytic role in improving their maturity as well as their effectiveness as a tool for managing corporate risks and strengthening supply chains—which can attract additional corporate investment. Moreover, as initiatives mature, they have the potential to transition from grant-based funding toward financing instruments capable of delivering financial returns.

Musim Mas Group

Siak Pelalawan Landscape Program

$300,000

the median investment in credible landscape initiatives among companies

(CDP, 2024)

Musim Mas Group, one of the world's largest integrated palm oil companies, discloses that it identified Riau, Indonesia as a high priority location for action within its supply chain via its No Deforestation, No Peat (NDP) Risk Management Framework, which overlays supply shed maps with location data on conservation and peat areas to identify supplier risk levels. The province, which supplies 20% of the company's total crude palm oil, has historically faced significant deforestation risk, and is home to millions of smallholders struggling with low productivity, poor seed stock, income volatility, and food insecurity.

In response, Musim Mas is supporting several landscape initiatives, including the Siak Pelalawan Landscape Program, which aims to achieve sustainable palm oil production in the Siak and Pelalawan districts, two of Indonesia' largest palm oil-producing regions.

- **Scale.** Musim Mas discloses that the Siak Pelalawan Landscape Program covers a little over 2.2 million hectares.
- **Multistakeholder process or platform.** Musim Mas discloses that it is one of eight companies supporting the collective goals of the initiative. Other companies supporting the initiative include Danone, L'Oreal SA, PepsiCo, Inc., Unilever, and Wilmar International Ltd. Additional stakeholders include the Siak and Pelalawan district governments, local communities, and NGOs such as Proforest and Daemeter.
- **Collective goals and actions.** Musim Mas discloses that the initiative has four long-term goals: (1) protect and enhance forests, peatlands, and natural ecosystems, (2) empower palm oil smallholders to achieve improved livelihoods, (3) respect labor and community rights within the palm oil sector, and (4) pursue sustainable palm oil production. These were collectively set by the initiative's partners and local stakeholders.
- **Collective monitoring frameworks.** Progress is collectively monitored using a shared external framework. Musim Mas discloses that collective achievements under the initiative include training 4,012 smallholders in good agricultural practices, improving the land tenure security of 92 people, piloting regenerative agriculture practices among 233 smallholders, and helping 1,315 smallholders become certified under a sustainable palm oil scheme (both the Roundtable for Sustainable Palm Oil and Indonesian Sustainable Palm Oil).

Key outcomes

4,012 smallholders trained, 1,315 certified under RSPO or ISPO, and regenerative agriculture piloted across 233 farms, with all progress tracked through a shared monitoring framework across 2.2 million hectares.

Engagement Considerations

Materiality

- Link to high-risk commodities and geographies
- Procurement practices and commodity supply chain characteristics
- Connection to corporate strategy

Initiative maturity

- Scale
- Multistakeholder governance process or platform
- Collective goals and action
- Collective monitoring frameworks

Ensuring impacts and credibility. It is critical that companies are clear and accurate when describing their **landscape investments and actions** and **the results those efforts have had**. It may not be immediately obvious how reported results, such as the number of farms that have benefitted, number of smallholders trained, or number of hectares cultivated under improved production practices, translate into standardized metrics such as the percentage of commodity volumes determined to be deforestation- and conversion-free or the quantity of emissions reduced. Investors are most familiar with these metrics because of their connection to materiality and business strategy. Questions investors are likely to ask companies include:

- How is participation in the landscape initiative supporting the resilience of the company's business model and long-term value creation?
- How will the (projected) results of the landscape initiative help the company implement its overarching deforestation, nature, or climate targets?
- How do the company's claims contribute to progress on its deforestation, nature, or climate targets and KPIs?

Following the Consumer Goods Forum's Forest Positive Coalition for Action, best practice is for the company to support an initiative or initiatives equal in size to the estimated land footprint for the production of its high-risk raw materials—but few companies disclose doing so. It is important for companies to convey appropriate context so that investors and other stakeholders can understand the relevance and anticipated results of their landscape initiatives. Companies can do this by describing what proportion of total farms, suppliers, or hectares in its supply chain are supported by the initiatives they are involved in. For example, landscape actions result in X hectares with improved production practices out of the Y hectares within the company's total production footprint. Through their engagements, investors can encourage companies to improve transparency around the materiality of their investments in landscapes.

Engagement questions

To engage companies that are not yet participating in landscape initiatives

- What strategies is the company using to address its nature-related supply chain risks?
- How could landscape initiatives complement the company's current risk management strategy?

To clarify business value for participating companies

Starting questions

- What KPIs or decision-making criteria does the company use to determine whether participation in a landscape initiative is relevant or appropriate?
- How is participation in landscape initiatives helping the company reduce risk or increase the resilience of its business model?

Additional questions

- How do the company's investments in landscape initiatives complement other risk management strategies, such as supply chain traceability and monitoring?
- How do landscape-level risks (such as smallholder livelihoods or weak local governance) factor into the company's sourcing strategy?
- What due diligence has the company conducted on the initiatives it is participating in?

To evaluate initiative materiality to company operations or supply chains

Starting questions

- How will the goals, actions, and (projected) outcomes of the initiative help the company mitigate its risk exposure?
- How will the (projected) outcomes of the landscape initiative contribute to the company's overarching climate, deforestation, nature, or social targets, helping it to remain competitive and meet stakeholder expectations?
- Is the landscape initiative located in a priority location within the company's value chain (a region where the company sources high-risk commodities or has significant impacts or dependencies on nature)? What methods has the company used to make this determination?
- What percentage of the commodity the company sources originates in the landscape covered by the initiative?

Additional questions

- Does the initiative's monitoring system allow the company to credibly communicate about the impacts of its investments in a way that supports its reporting requirements?
- How does the amount the company has invested in the initiative compare to its commodity supply chain footprint in the landscape? To its commodity supply chain footprint overall?

To understand the credibility and impact of company's involvement

Starting questions

- What kind of support is the company providing (financial, in-kind, supplier engagement, other) and how is this support contributing to initiative maturity?
- How does the company see the initiative evolving? Is there potential to further scale?
- What measurable, time-bound targets are tied to the initiative? How do these help the company achieve its own targets?
- What progress has been made to date? How does this progress contribute to the company's business strategy or the achievement of its climate, deforestation, nature, or social targets?
- Does the initiative uphold (i) the minimum standards of respecting the rights of Indigenous Peoples and local communities, (ii) the sovereignty and governance structures of Indigenous Peoples and local communities, and (iii) the right to free, prior, and informed consent (FPIC) and self-determination of Indigenous Peoples?
- Does the initiative facilitate full, meaningful, and effective participation through FPIC of Indigenous Peoples and local communities in the planning and implementation of activities that have the potential to impact their rights?

Additional questions

- What stakeholder groups (such as communities, government, civil society) have been involved in initiative design, implementation, and monitoring?
- How does the initiative collectively make decisions and work through disagreements?
- Does the initiative produce regular updates on progress and setbacks against the action plan?

Footnotes

1. However, most of these companies (256) are involved in at least one initiative that does not meet CDP's criteria for assessing credible company engagement.

2. Disclosure volume is the commodity volume that a company includes in its CDP disclosure. Companies are encouraged to report their total commodity sourcing volume as their disclosure volume, but in some instances companies may choose to exclude certain volumes from their disclosures.