

CPP Investments Insights Institute: New Roadmap Helps Companies Report and Abate Greenhouse Gas Emissions in Pursuit of Low-Carbon Future

Report highlights tool for investors, corporate boards and management teams seeking credible plans to achieve net-zero goals and the creation of long-term value.

TORONTO, CANADA (November 2, 2022) – Many companies aiming to achieve net-zero goals and transition to a low-carbon future are struggling to back up their commitments with reliable data and disclosures. A new report launched by the CPP Investments Insights Institute today details a framework to solve this critical issue.

[The Decarbonization Imperative](#) report shows companies and investors how to close the gap between the willingness to pursue decarbonization and the clear, measurable action plans that will achieve their commitments. The tool used in the report is an Abatement Capacity Assessment Framework (Framework), which is a standardized template to identify, report and abate all sources of greenhouse gas (GHG) emissions in a company’s operations and supply chains – today and under future scenarios.

Assessing climate change-related risks and opportunities and integrating them into investor portfolios is a core pillar of the CPP Investments Insights Institute, which used its convening power to gather public and private sector insights to enhance the Framework. This Framework acts as a valuable complement to climate disclosure rules that have recently been proposed by national and international financial regulatory bodies. As reporting requirements and standards evolve, the Framework gives corporate boards and management – and investors – a greater degree of confidence in the company’s ability to transition to a low-carbon future.

In addition, the report details a successful pilot of the Framework with Canada Pension Plan Investment Board (CPP Investments) portfolio company Trafford Centre, one of the U.K.’s top-10 shopping malls. This pilot demonstrates that the benefits for companies of assessing and implementing transition plans can be real and substantial. There are several other pilots underway across a range of sectors.

“With the transition to a low-carbon future accelerating, boards and executives have a duty to their companies to conduct emissions-reduction assessments and develop transition plans,” said Richard Manley, Managing Director, Head of Sustainable Investing, CPP Investments. “As a global investor, we are constantly seeking to identify and manage dynamic and emerging material business risks and opportunities and will allocate our capital to companies that can demonstrate an ability to credibly reduce emissions.”

CPP Investments expects to achieve carbon neutrality for internal operations by the end of fiscal 2023. The organization is conducting an Abatement Capacity Assessment on its own operations and will monitor the breadth, quality and reliability of emissions data as this space continues to rapidly evolve.

In addition to this Framework, tools that will enable CPP Investments to capture and support value-creating opportunities for its investment portfolio include, but are not limited to, active ownership, developing [nature-based and other technology solutions](#), scaling financing (such as, through [green bonds](#)), and [enabling emissions reduction and business transformation in high-emitting sectors](#).

A summary of the report can be downloaded [here](#) and the full report can be downloaded [here](#).

About the CPP Investments Insights Institute

The CPP Investments Insights Institute's mission is to create enduring value by using global investing expertise, partnerships and convening power to advance how the global investment community addresses climate change, technology disruption and evolving stakeholder expectations. Our vision is to have a prosperous investment ecosystem that delivers financially sustainable returns while addressing the biggest challenges of our time. Three main areas of focus for the Institute are: climate change, technology disruption and stakeholder capitalism. More information on the Institute and the new report can be found on cppinvestments.com/insights-institute.

About CPP Investments

Canada Pension Plan Investment Board (CPP Investments) is a professional investment management organization that manages the Fund in the best interest of the 21 million contributors and beneficiaries of the Canada Pension Plan. In order to build diversified portfolios of assets, investments are made around the world in public equities, private equities, real estate, infrastructure and fixed income. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City, San Francisco, São Paulo and Sydney, CPP Investments is governed and managed independently of the Canada Pension Plan and at arm's length from governments. As at June 30, 2022, the Fund totalled C\$523 billion. For more information, please visit www.cppinvestments.com or follow us on [LinkedIn](#), [Facebook](#) or [Twitter](#).

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