

Climate and Carbon



June Monthly Update

Bendigo Bank
Agribusiness



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Key Watchpoints

- How is climate change and sustainability going to impact your business moving forward?
- What climate related risks does your business face, and what options are available for you to mitigate or prepare for these risks?

Climate Change & Sustainability: How will this impact you?

Climate change and sustainability are becoming a much larger focus across agriculture, but how is this going to impact you? Below are three key examples of how climate change and sustainability could impact your business now and in the future:

- **Increasing costs:** This may include water, transport and power costs, which would flow through and impact business profitability.
- **Environmental changes:** You may see changes in the median temperatures in your area or start to see different microclimates develop. For more information on how this may impact you please check out our *Carbon and Climate* report on the Bendigo Bank website.
- **Growing demand for transparency:** There is a growing demand from both consumers and the supply chain for better transparency in business sustainability and reporting.

The bank's ambition is to drive action towards a resilient and sustainable future to grow the prosperity of our customers, communities, shareholders and people. This includes supporting the communities in which we live and work and play our part in combatting climate change. As a bank, it's important for us to act because climate change directly impacts both the agriculture and financial services sectors.



What actions can you take?

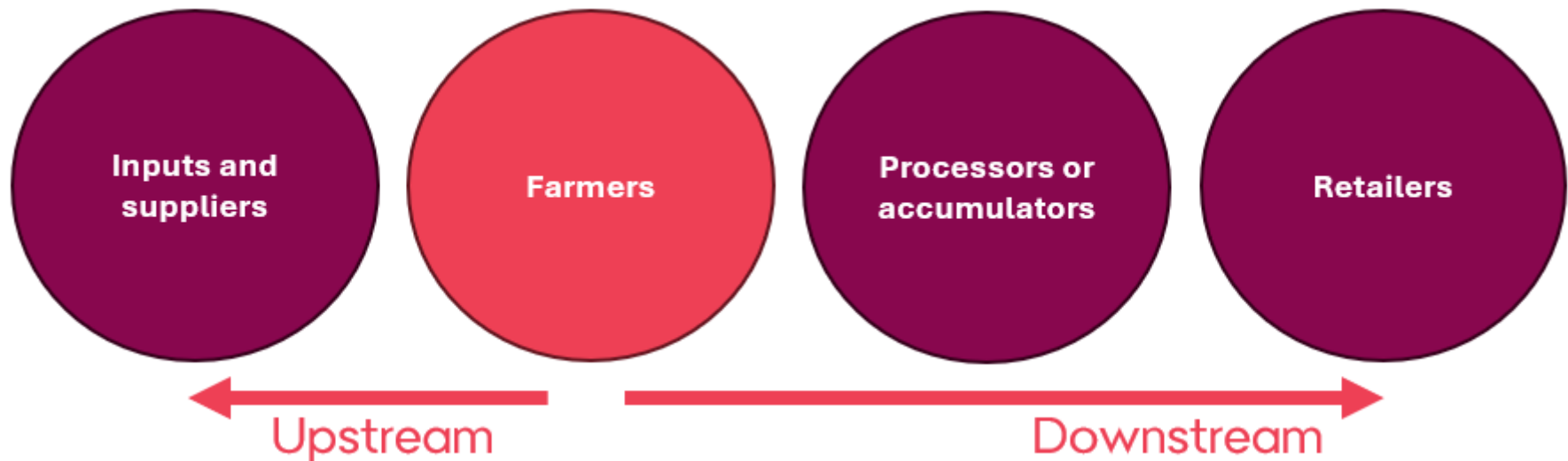
Know your number: Understanding your farm business's carbon emissions is great first step to allow you to start documenting any changes you make to reduce or manage your resources. This can be done by using your bills or meter readings to get an accurate picture of your power, fuel and water usage. Bendigo Bank, through our relationship with Ruminati, can help you access solutions to assist in 'knowing your number'.

Understand your risks: Take the time to work out what exposure your business has to climate change, as well as the impacts of any incoming legislative changes. This can include assessing your risk of extreme weather events, or how incoming legislation could impact how you do business. Keep in mind that farm emissions are likely to fall into scope three emissions of large organisations in the supply chain.

Reduce your energy and water usage: Examining where your resources are coming from and how they are being utilised, then implementing measures to improve their efficiency. This could be through investment in renewable energy sources such as solar, through upgrading machinery to increase efficiency, or selecting breeding stock based on emissions as well as productive traits. This can also lead to productivity improvements as well as climate and sustainability related benefits.

Engage with your supply chain: Take a look at what your peak industry bodies are doing in this space to see what initiatives you can leverage. There are also opportunities to work with your supply chain to support each other to reduce energy or water consumption as well as increase productivity.

What **opportunities** or **risks** lie within **your** supply chain?



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