# Food industry professionals warn investors of hidden risks amid environmental crises



An anonymous group of food industry professionals, operating under the name Inside Track x Food, has issued a cautionary statement to investors, warning that there is a misplaced sense of confidence regarding the stability of the food sector. According to the group, the industry is facing an unprecedented crisis driven by intertwined challenges including soil degradation, water scarcity, global heating, and extreme weather events, all of which are undermining the reliability of food yields, quality, and supply chains.

Inside Track x Food highlights that despite these escalating risks, the severity of the situation is not being effectively communicated to investors. One contributing factor, they suggest, is that many food companies are not approaching corporate reporting with the necessary rigour. The group points specifically to the processes governed by frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD) and the Corporate Sustainability Reporting Directive (CSRD), explaining that these tools—which should be central to addressing existential risks—are frequently reduced to mere box-ticking exercises, limiting their value.

Further concerns are raised about the auditing process of environmental risk reports. Inside Track x Food argues that these audits are often failing to provide reliable assurance to investors because auditors may lack the required expertise, interest, or motivation to thoroughly evaluate the complexities of food system resilience. The group comments that the current auditing mechanisms are "unfit for purpose" due to insufficient support and investment in auditors’ understanding of meaningful risk mitigation strategies within the food sector.

The group also identifies a tendency within food companies to prioritise investor appeasement over honest risk communication. This bias towards "pleasing rather than being honest" is leading to underreporting or minimising the scale and implications of the threats facing the industry.

Addressing the strategic responses promoted by food companies, Inside Track x Food highlights three commonly presented approaches: exploring alternative sourcing regions, enhancing the resilience of existing sourcing areas, and diversifying food sources. While these are positioned as suitable solutions, the group describes them as “wishful thinking” that fail to adequately address the true magnitude and complexity of the risks involved.

In recognition of these challenges, Inside Track x Food has proposed a set of questions for investors to pose in order to better evaluate the resilience and preparedness of companies within their portfolios. These inquiries aim to encourage more comprehensive scrutiny of how food companies are confronting the multifaceted threats to future food security.

The Minerva-Manifest is reporting the warning from Inside Track x Food, signalling a call for greater transparency and rigour in assessing the vulnerabilities of the global food system as it confronts a range of environmental crises.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.foodnavigator.com/Article/2025/04/03/food-and-drink-industry-heading-towards-melt-down-insiders-warn/> - This article reports that an anonymous group called Inside Track x Food warned investors that the food industry is facing a crisis due to soil degradation, water scarcity, global heating, and extreme weather, all undermining food yield, quality, and supply predictability, corroborating the article's claims about the nature and severity of the crisis.
2. <https://www.thegrocer.co.uk/news/whistleblowers-warn-uk-food-industry-heading-for-climate-disaster/702944.article> - This source confirms that Inside Track x Food criticized food companies for underreporting risks and relying on insufficient mitigation strategies, and highlighted that corporate reporting frameworks are often reduced to box-ticking exercises, thus supporting the article's points on ineffective risk communication and weak corporate disclosures.
3. <https://www.foodingredientsfirst.com/news/news-uk-food-crisis-warning> - This article describes senior UK food industry professionals warning of interconnected crises including soil degradation, water scarcity, and climate impacts affecting food security and profitability, reinforcing the article's emphasis on the compounded environmental threats to the food sector.
4. <https://www.businessgreen.com/news-analysis/4411815/deteriorating-supply-chains-anonymous-group-food-industry-insiders-raising-alarm-climate-resilience> - This BusinessGreen piece highlights that the auditing processes for environmental risk reports are failing due to lack of auditor expertise and motivation, echoing Inside Track x Food’s view that current audit mechanisms provide false assurance and are unfit for purpose.
5. <https://www.thegrocer.co.uk/news/whistleblowers-warn-uk-food-industry-heading-for-climate-disaster/702944.article> - The article also reveals Inside Track x Food's concern about the bias toward investor appeasement rather than truthful risk communication by food companies, supporting the claim that there is a tendency to underreport or minimize the risks to please shareholders.
6. <https://www.foodingredientsfirst.com/news/sustainable-agriculture-investment-resilient-food.html> - This source backs the article’s mention of the three common strategies promoted by food companies—alternative sourcing regions, resilience investments, and diversification—calling these responses 'wishful thinking' that fail to fully address the true scale and complexity of food system risks.
7. <https://news.google.com/rss/articles/CBMiqAFBVV95cUxQa1pWVjAwRk9RUllaZ1dWS1ZhbGVBLVh5VVkzME51QWpPeWZrWlpyaHloTlRzaGg3dlBFTFBpTm5FbW9RbElWUVFyN1BRcGJFQzhnTDRWYWVDMWJPbXB0c3dlVXlPQ0dBc0ZzZDFfLVgxMWMwZEs1WnhLbG9pRTY5YUp0RUhjVGZUYmVWQ2h6dGt0Q1BuRnVSM1JjbXB3MzlTSWo5RC0xV2M?oc=5&hl=en-US&gl=US&ceid=US:en> - Please view link - unable to able to access data