



Resilience and Adaptation Initiative (READI)

2017 Scope of Work

DECEMBER 2017

BSR's Resilience and Adaptation Initiative (READI) is a unique new multi-company platform that is being launched for companies to learn about—and develop practical strategies for—enhancing resilience to climate risk within their own operations and across value chains. The results for participating companies will be increased resilience to the risks of climate change.

A resilient business anticipates, absorbs, accommodates, and recovers from climate impacts that affect both its own operations as well as its suppliers. Resilient businesses also contribute to resilient societies—by maintaining essential systems that buffer societies and natural systems from the worst impacts of climate change.

Vision

BSR's **vision** is that a set of companies—from across sectors and geographies—will join this new initiative to gain clarity on the widely and increasingly used term: climate resilience.

BSR's most senior climate and resilience experts will lead the group. They will launch this new initiative with cutting edge research that offers an in-depth analysis of the full suite of recommended resilience options available for corporate investment, of staff time and funds, which each offer clear returns to the business in terms of climate resilience.

This new READI group presents business leaders with a unique opportunity to learn about how to make their companies more resilient in the face of climate change. The BSR recommended approaches, actions, and examples will form the foundation on which to build robust, tailored strategies that are both responsive to specifics of their companies, while also grounded in the best research and practice. These strategies can then be implemented within companies, while

leaders continue to benefit from the peer learning and exposure to leading practices within BSR's READI Group.

Companies that join the initiative--and implement plans crafted within the group--will have enhanced adaptive capacity of corporate operations and supply chains, as well as the ability to make contributions to increased resilience within sourcing, operational, and consumer communities.

Context and Overview

Resilience in the face of climate change-related issues is no longer negotiable. It is a key component of any forward-looking business.

The reason is simple. The private sector is now exposed to climate risks that are already widespread, consequential, and expected to continue to increase in intensity and frequency.¹ Companies and supply chains are adversely affected by extreme weather and temperature changes, as well as droughts and floods, and the associated impacts on employees as well as surrounding communities.²

Reflecting this situation, climate change is now ranked as the number one business risk, according to the World Economic Forum's 2016 Global Risk Assessment Report.³ Nearly 75% of suppliers in a recent survey stated that climate change presents risks that could significantly impact their business operations, revenue or expenditures. Yet, only 50% of those surveyed are currently managing this climate risk—with even fewer suppliers measuring and managing associated water-related risks.⁴

The question is, given a wide range of recommendations for corporate action, **how can businesses manage the negative consequences of climate change and build resilience?**

This new BSR multi-company initiative will launch with BSR experts presenting an analytically robust, evidence-based, and actionable approach to crafting a corporate climate change resilience strategy. The READI group will bring together companies and other key stakeholders, from across sectors, to learn about, craft resilience strategies, and implement pathways forward in the face of climate change.

Objective and Activities

The **objective** for BSR's READI Working Group is to convene a set of leading companies and stakeholders—from across sectors and around the world—to participate in learning about, crafting, pilot testing, and scaling strategic work on increasing corporate resilience in the face of destabilizing forces of climate change.

Once launched in mid-2016, BSR's READI Group proposes to focus on the activities listed below—pending feedback on priorities and available budget based on corporate membership.

¹ http://ipcc-wg2.gov/SREX/images/uploads/SREX-All_FINAL.pdf

² http://ipcc-wg2.gov/AR5/images/uploads/WG2AR5_SPM_FINAL.pdf

³ <http://www3.weforum.org/docs/Media/TheGlobalRisksReport2016.pdf>

⁴ <https://www.cdp.net/CDPResults/CDP-Supply-Chain-Report-2016.pdf>

- **Increase understanding of, and ability to assess, climate risk as well as opportunities for resilience** through active collaboration with BSR experts, other companies, and key stakeholders, including thought and practice leaders from around the world.
- **Engage in peer learning with other business leaders on strategies, pilot testing and scaling solutions** for climate resilient companies.
- **Contribute to thought and practice leadership** on climate change resilience, through facilitated discussions, partnership building, papers, and articles—which will shape global thinking on cutting edge corporate resilience in the face of climate change.
- **Assess and make practical use of the latest authoritative thought-leading insights** from across the climate and business communities, in order to understand the company's exposure to risk and how to address the risk by building adaptive capacity.

Key Activities	Deliverables
<p>Task 1:</p> <p>BSR will structure and facilitate a webinar-based introductory discussion of:</p> <ul style="list-style-type: none"> • The current ‘state of play’ of research and business-relevant recommendations on climate resilience, and • A distilled and peer reviewed framework in which to develop corporate climate resilience strategies and actions. 	<ul style="list-style-type: none"> • BSR report, summarizing current literature and synthesizing a clear, peer-reviewed core areas of work for enabling climate resilience • Business relevant PPT summary
<p>Task 2:</p> <p>BSR will organize webinar series, as well as structured peer learning discussions, on:</p> <ul style="list-style-type: none"> • Case examples of climate resilience initiatives that are underway, • Analysis of the business risks, barriers, and opportunities associated with greater private investment in adaptation as well as financial products and services that could be leveraged to advance resilience, and • The business case for, and ROI on, making these investments. 	<ul style="list-style-type: none"> • Six (6) to twelve (12) webinars over the course of the year.
<p>Task 3:</p> <p>Convene a small (~24 person) Working Group member in-person corporate climate resilience ‘design charette’, which will include both:</p> <ul style="list-style-type: none"> • Hands-on learning about how to craft robust corporate climate resilience strategies, as well as • Peer learning focused on the current state of play associated with private sector action on resilience 	<ul style="list-style-type: none"> • Pre-Event Packet, including detailed agenda and pre-read materials summarizing issues to be discussed <ul style="list-style-type: none"> ○ Early to late fall 2017 event ○ Post-Event Power Point (PPT) summary ○ Brief written overview
<p>Task 4:</p> <p>Communicate about corporate resilience insights—and contribute to shaping the discussion on resilience thought and practice leadership—such as through crafting summary articles, ideally in collaboration with working group members</p>	<ul style="list-style-type: none"> • Summary articles published based on Working Group insights, ideally co-authored with corporate members

The final task list will be based on input from corporate members as well as available budget, based on ten or more Working Group member companies for the year.

BSR has a long history running collaborative initiatives that delve into challenging CSR issues to drive effective change. Founded in 1992, BSR's first working group launched in 1994 and the number and diversity has evolved over the years. Currently, BSR is leading 21 collaborative initiatives that span a wide array of industries and issues. The below diagram provides an overview of BSR's collaborative initiatives, which outlines our experience across the resilience impact areas.

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