



CLIMATE
NEXUS
REPORT

Climate + Women

The Business Case
for Action

September 2018

WE MEAN
BUSINESS



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and Business

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About this Report

Climate change affects every human around the globe, with profound implications for social justice and human rights. Health-related stresses, competition for natural resources, and the impacts on livelihoods, hunger, and migration warrant immediate global action.

This report is part of a series of six climate nexus reports that cover human rights, inclusive economy, women's empowerment, supply chain, just transition, and health. All papers in this series are aimed at business to drive resilience inside their company, across supply chains, and within vulnerable communities. The reports address issues that are material to business, vital in the current political environment, and key to building resilience.

This paper explores a relatively new and developing topic for business: the intersection between climate change and women's empowerment. It uses compelling data, a clear business case, and company case studies to strengthen corporate understanding of the connection between women's empowerment and resilience to climate change impacts, and to drive corporate action to put women at the center of climate-resilience solutions. Ultimately, this paper aims to help companies prepare for the consequences of climate change and address material business risks, while simultaneously embracing opportunities that benefit business, women, and communities.

This report is part of a series of six **climate nexus reports** that cover:



This research draws on a wide range of documentary sources, including scientific literature on climate impacts, women's empowerment literature, and development literature covering the financial and economic aspects of climate change. The report benefited from the work of BSR's Business Action for Women collaborative initiative's cluster on climate resilience and women,¹ including semi-structured interviews with the cluster's companies: Mars Incorporated, The Coca-Cola Company, and L'Oréal.

The report is aimed principally at sustainability professionals working inside BSR member companies and is intended to aid their work as they seek greater alignment across sustainability priorities, improved resilience for their companies, and positive impact on socio-ecological systems across the globe.

This report was written by Samantha Harris and Katie Abbott. Any errors that remain are those of the authors. Please direct comments or questions to Samantha Harris at sharris@bsr.org.



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Acknowledgments

The authors wish to thank the IKEA Foundation and the We Mean Business coalition for providing funding for this report, and for their commitment to deepening corporate understanding of how to address overlapping sustainability issues. The authors would also like to acknowledge Aditi Mohapatra and David Wei of BSR, Ashley Allen of Mars Incorporated, and Margreet Groot of Mondelēz International for serving as peer reviewers of this paper.

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Suggested Citation

Harris, Samantha, and Abbott, Katie. 2018. "Climate and Women: The Business Case for Action." Report. BSR, San Francisco.

Climate + Women

The Nexus

As Mary Robinson, Ireland's former president and the former UN commissioner for human rights, said, "People who are marginalized or poor, women, and indigenous communities are being disproportionately affected by climate impacts."*

Women experience disproportionate impacts

due to underlying socioeconomic, political, and legal barriers that limit their choices in the face of climate change.

BARRIERS INCLUDE



Limited access to financial resources and often lower pay.



2.5 times more unpaid work and care than men.



Discriminatory laws that limit female workforce participation.



Lack of voice in decision-making at the household, local, national, and international levels.



Restrictions on land ownership.



Lack of technology and capacity-building resources.

The Business Case

RISK



Climate impacts hit the poorest hardest and disproportionately affect women.

The gender barriers women face can also limit their adaptive capacity to climate impacts. This directly impacts a company's entire value chain, including through the workforce and local communities.

OPPORTUNITY

Climate resilience solutions with a specific focus on women can unlock multiple business benefits.



- **Drive productivity and innovation**, especially within sectors like agriculture and apparel.
- **Protect raw materials**, especially in agricultural supply chains.
- **Increase financial stability and returns** through solutions and investments that consider climate and gender equality.**
- **Strengthen the resilience of local communities** because women are well connected in their communities.
- **Deliver multiple other co-benefits** including stabilizing livelihoods, improving food security, and making progress toward closing the global gender gap.

To adapt to a changing climate and deforestation on cocoa production, Mondelēz's Cocoa Life program promotes women's empowerment to create more sustainable cocoa-growing communities.

THE PROGRAM

- **Increases women's access to farm inputs and land ownership** and their membership in farmer groups and cooperative unions.
- **Supports young women** by ensuring that 50 percent of young women participate in youth-oriented programming.
- **Advocates for leadership positions for women**, ensuring equal representation, and provides mentorship.
- **Helps women improve their livelihoods** through access to finance, entrepreneurial skills, and more.

“

Cocoa farmers and community leaders tell us climate change is already impacting their farms.”

—Cédric van Cutsem

Global Operations Manager, Cocoa Life, Mondelēz International



Recommendations

Real transformation for both climate resilience and gender equality will happen when companies tackle the structural and systemic barriers women face, involve women in solutions, and put women at the center when developing climate strategies. They can act within their own operations, and they can also enable and influence others to act at the intersection of climate resilience and women.



ACT

Companies can **put women at the center of all internal climate resilience approaches and solutions**. In particular, companies can provide women in supply chains access to relevant trainings, inputs, financing, and technologies.



ENABLE

Companies can enable women throughout the value chain and broader community to effectively respond to climate-related events by **linking them with local networks and partners**, which can serve as mutual support mechanisms to strengthen climate resilience.



INFLUENCE

Companies can **influence underlying inequalities**, such as the lack of decision-making power or land rights that **exacerbate the disproportionate negative impacts for women** in the context of a changing climate.

* https://www.ted.com/talks/mary_robinson_why_climate_change_is_a_threat_to_human_rights/transcript?language=en

** <http://www.undp.org/content/dam/undp/library/gender/Gender%20and%20Environment/PB5-AP-Gender-and-Climate-Finance.pdf>

*** <https://www.cocoalife.org/the-program/womens-empowerment>;
<https://www.cocoalife.org/~media/CocoaLife/en/download/article/cocoa-life-womens-empowerment-publication-oct-2016.pdf>

Executive Summary

Climate change is a global crisis, affecting every human around the world. While it threatens people's health, livelihoods, and access to food and water, the risk and solutions are not the same for everyone—especially for women, who face unique challenges due to systemic barriers that limit their ability to effectively prepare for and respond to climate impacts.

“

People who are marginalized or poor, women, and indigenous communities are being disproportionately affected by climate impacts.”²

—MARY ROBINSON, IRELAND'S FORMER PRESIDENT
AND THE FORMER UN COMMISSIONER FOR HUMAN RIGHTS

Business already experiences the negative impacts of climate change, from damage to infrastructure to disruptions in logistics and supplies of raw materials. However, business does not yet fully recognize and understand how climate change affects the people in supply chains and the communities that companies depend on. Increasing temperatures and more frequent heat waves are creating unworkable conditions

for outdoor laborers. Droughts are putting a strain on communities, forcing people to travel longer and sometimes dangerous distances to collect water. While corporate approaches to climate change often overlook it, the human dimension, especially that of women, is extremely important for companies to understand in order to address climate risk effectively and ensure business continuity and overall climate resilience.

It is essential that climate solutions address gender dimensions, taking into account not only the disproportionate risk to women, but also their role in climate solutions. Women have unique experiences, skills, and knowledge that can drive innovation for climate resilience. For business, it makes good sense to include and empower women in the development and implementation of climate strategies, policies, and programs. This is a win-win approach that will tackle climate risk and gender inequality simultaneously, with clear benefits for businesses, women, and communities.

Women experience disproportionate risks due to underlying socioeconomic, political, and legal barriers that limit their choices in the face of climate change. For example, more women live in poverty, which limits their access to critical resources. Women also experience greater health risks due to pregnancy and malnutrition, and women often face higher mortality rates after severe storms.³

Despite facing greater risks, women stand out among groups that are disproportionately affected by climate change because they have the potential to help society address climate impacts. Women possess skills, knowledge, and experiences that can make them powerful change agents when it comes to contributing to climate resilience solutions. In many communities, women are responsible for household decisions that affect whether their families and communities thrive. Women are well-positioned to contribute to climate adaptation measures because of their community and household responsibilities, including their responsibility for household spending, their role in collecting water and firewood and providing food, their role in family care and well-being, and their close connection to community dynamics. Also, in some countries women comprise nearly half of all smallholder farmers and possess critical skills and knowledge in land stewardship and agricultural techniques.

Companies that recognize this potential can play an important role in developing climate resilience solutions with a focus on women. **They can take action within their own operations, and they can also enable and influence others to act at the intersection of climate resilience and women.** More specifically, companies can:

ACT to put women at the center of all internal climate resilience approaches and solutions. In particular, they can provide women in supply chains access to relevant trainings, inputs, financing, and technologies.

ENABLE women throughout the value chain and broader community to effectively respond to climate-related events by linking them with local networks and partners, which can serve as mutual support mechanisms to strengthen climate resilience.


INFLUENCE underlying inequalities such as the lack of decision-making power or land rights that exacerbate the disproportionate negative impacts for women in the context of a changing climate.

As the world confronts the threats of climate change, it is imperative that business leaders understand how climate change affects women and how women are adapting. With this perspective, **companies can build climate resilience strategies that address the unique experiences and needs of women**, while also incorporating women's knowledge, skills, and potential into solutions.

Climate Resilience, Women, and Business

The topic of women's empowerment—the ability of women to make and act on choices they value—is becoming more prominent in climate conversations. Increasingly, international frameworks, governments, and civil society are recognizing the intersection between gender inequality and climate change.

The 2015 Paris Agreement on climate change and the UN Sustainable Development Goals (SDGs) both place a special emphasis on groups of people who are disproportionately affected by the impacts of climate change, including women. They also use a gender lens when looking at related issues, including climate mitigation and adaptation, the eradication of poverty, and other global development challenges. Also, in 2017, due to a noticeable lack of women's representation, member nations unanimously adopted the United Nations Framework Convention on Climate Change (UNFCCC) Gender Action Plan to highlight and accelerate the role of women in climate action. The plan is also intended to capture women's skills and expertise to solve global problems.⁴



As the international community develops climate solutions with a focus on women, it is critical that businesses keep pace.

Climate change is a top material business risk, and there is an urgent need to build corporate climate resilience. This includes approaches that address the unique needs of women and that incorporate women's knowledge, skills, and potential into solutions.

To do this, business must first understand how climate change impacts their value chains, including the women within them.

Corporate Climate Risk and Resilience

Climate change impacts are well-known: Warming oceans and rising sea levels lead to more destructive weather events. Increasing global temperatures lead to more frequent heat waves, heighten the risk of wildfires, and increase the demand for water. Shifting hydrological patterns result in longer rainy seasons in some places, longer droughts in others, and the introduction of new vector-borne diseases like malaria and Zika. According to the U.S. National Oceanic and Atmospheric Administration (NOAA), 2017 was the third-warmest year on record, and the 20 warmest years have all occurred since 1995.⁵ Also in 2017, the U.S. experienced Hurricanes Irma, Harvey, and Maria—three of the five costliest hurricanes in U.S. history.⁶

These impacts present risks for society, including diminishing supplies of food, water, and shelter, which can cause migration, conflict, and political instability—all of which can affect business.⁷

Every business relies on basic resources and infrastructure to function and needs a thriving economic community to support its operations. Increasing temperatures and more frequent heat waves are creating unworkable conditions for outdoor laborers. Droughts are putting a strain on communities, forcing people to travel longer and sometimes dangerous distances to collect water. These climate realities—and those to come in the future—threaten business.

Three Dimensions of Climate Risk

The Intergovernmental Panel on Climate Change (IPCC) defines climate risk as the interaction of hazard, exposure, and vulnerability:⁸

01

Hazard refers to the possible future occurrence of natural or human-induced physical events that may have adverse effects on vulnerable and exposed assets. These hazards include extreme weather events, flooding, drought, sea-level rise, and changes in vector-borne diseases.

02

Exposure refers to the inventory of elements in an area in which hazardous events may occur. For instance, a hurricane may exist because of climate change, but it does little harm unless it strikes population centers. A hazard turns into a risk from the presence of people and livelihoods; environmental services and resources; infrastructure; or economic, social, or cultural assets.

03

Vulnerability refers to the propensity of exposed elements—including people, ecosystems, biodiversity, economic sectors, complex supply chains, or individual companies—to suffer adverse effects when exposed to climate-related physical hazards. Vulnerability is caused by underlying weaknesses that magnify the negative impacts of exposure to a physical hazard. In this context, vulnerability could refer to intersecting inequalities in societies that magnify risk for marginalized communities such as women, or it could refer to infrastructure that doesn't hold up to certain climate hazards.

Since 2011, the World Economic Forum's annual *Global Risks Report* ranked climate risks a high priority for business in terms of both likelihood and impact.⁹ It is critical for business to understand the full spectrum of climate risk. As business works toward quantifying and managing climate risk, it must take into account the IPCC's three dimensions of climate risks (see page 10). As companies are exposed to climate-related impacts, infrastructure can be damaged, the quality and quantity of crop yields can decrease, and the vulnerability of valuable freshwater sources can increase, potentially causing market volatility of commodity prices.¹⁰ For example, by 2050, climate change is likely to reduce global production of corn by 24 percent.¹¹ Despite this, not every company—or its suppliers—are

addressing their climate risks. According to a CDP and BSR survey, while 72 percent of suppliers believe that climate-related risks could significantly affect their operations, revenue, and expenditure, less than half are acting on the problem.¹²

To fully manage climate-related risks, it is critical for businesses to build climate-resilience strategies that have two goals: reducing greenhouse gas (GHG) emissions in line with a well-below-2°C trajectory, and adapting to the current and future impacts of climate change. In this paper, we argue that companies can build their adaptive capacity to climate impacts more efficiently and effectively if they put women at the heart of their climate resilience strategies.

Why Climate Change Needs a Focus on Women

While corporate approaches to climate change often overlook the human dimension, especially for women, it is extremely important for companies to understand in order to address climate risk effectively and ensure business continuity and overall climate resilience.

Climate change does not affect all groups of people equally. As described earlier, it is critical for companies to understand the three dimensions of climate risk—especially vulnerability, which varies across regions, countries, communities, and groups of people. The distribution and use of rights, resources, and power are rarely equitable, and climate change magnifies these inequalities, ultimately placing the biggest burden on the poorest and most vulnerable groups.¹³ Residents of low-lying island nations are threatened by rising sea levels and severe storms. Indigenous groups suffer when climate change affects the natural resources they depend on for hunting, fishing, and transportation. Low-income households often lack access to adaptation measures such as air-conditioning, heating, or disaster insurance.¹⁴ In particular, women of lower economic standing experience the differentiated impacts of climate change

due to a lack of resources, decision-making power, education, and access to capital. However, they also possess enormous potential to contribute win-win solutions to climate risk.

Across communities in corporate supply chains, women and men experience climate change differently because women face systemic barriers that result in differentiated impacts and adaptation approaches in the face of climate change. For example, women constitute the majority of the world's poor,¹⁵ and people living in poverty struggle more in the face of climate hazards such as floods, droughts, rising sea levels, storms, and changes in disease vectors.¹⁶ In many natural disasters, women are more likely to die and are less able to adapt. After the 2004 tsunami in the Indian Ocean, surviving men outnumbered women by almost 3 to 1 in Sri Lanka, Indonesia, and India. After Hurricane Katrina hit the United States in 2005, the majority of those trapped by extreme flooding were African-American women and children. Approximately 80 percent of people displaced by natural disasters are women, and climate change also ignites conflict over natural resources, causing further displacement of women.¹⁷

Key Definitions

ADAPTIVE CAPACITY:

The ability of a business to adapt to change. Adaptive capacity includes learning, storing knowledge, and experience; creative flexibility in decision-making and problem-solving; and power structures that are responsive and consider the needs of various stakeholders.

AGENT OF CHANGE:

Someone who promotes and enables change to happen within any group or organization.

CLIMATE ADAPTATION:

Efforts to help communities and ecosystems cope with the impacts of a changing climate. This includes enhancing infrastructure, protecting against sea-level rise, using less water, planting new crops, and buying flood insurance.

CLIMATE MITIGATION:

Actions to reduce or prevent GHG emissions to address the root causes of climate change and limit future global temperature rise. Mitigation strategies include implementing new technologies, using renewable energy, increasing energy efficiency, and changing consumer behavior.

CLIMATE-RESILIENT BUSINESS:

Businesses that can anticipate, absorb, accommodate, and rapidly recover from climate events in their own operations and throughout their value chain. These businesses also contribute to resilient societies, which means moderating harm to socio-ecological systems and enabling people, local economies, and natural systems to rebound quickly in the face of adversity.

GENDER EQUALITY:

Equal rights, responsibilities, and opportunities for women and men.

WOMEN'S EMPOWERMENT:

The ability of women to make and act on choices they value. When women are fully empowered, they have access to resources and the agency—free of violence, retribution, or fear—to make decisions over how resources are used.

Why Business Should Care

In light of how climate can affect people across global supply chains, a climate-resilient business should look not only to build resilience within its own fence line, it should seek to build adaptive capacity well beyond its operational boundaries. This includes building adaptive capacity within its supply chain and among the communities it relies on for resources, its workforce, and a market base. In this way, a climate-resilient business not only contributes to its own business continuity and asset protection, it builds resilience for the women in its supply chain, the broader community, and the company's operating context.

In order to fully address unavoidable climate impacts, climate-resilient companies should assess not only the hazards and exposure in the supply chain and surrounding communities, but also the underlying vulnerabilities—especially gender inequality. In this way, companies can assess and address all three dimensions of climate risk with holistic climate-resilience strategies that place women at the center.¹⁸

When companies consider measures to improve their climate resilience—both to weather short-term impacts and to build stability over the long term—there is an opportunity to position women as powerful agents of change. As described in the next section, this is also good for business.

The Business Case

Both climate change and gender inequality have a profound impact on business and present risks and opportunities throughout a company's operations and supply chain, and within the communities in which it operates. While there is evidence that more and more companies understand the importance of tackling climate change and promoting women's empowerment, companies are only just beginning to understand the intersection between these two topics. It is time for corporate sustainability leaders to see the value of empowering women within their companies' climate risk and resilience strategies.

By connecting women's empowerment and climate strategies, business stands to benefit. For example, women's unique skills and knowledge can help companies examine and address material climate risks, including those related to finance, operations, and the workforce.

On the other hand, if companies do not look at these issues together, gender inequality and climate change impacts combined can exacerbate business issues. This can present a high risk for sectors that depend on a female workforce. For instance, estimates show that in some developing countries, women make up more than half of the agricultural workforce.¹⁹ In the garment industry, about 80 percent of workers are women.²⁰ Because women face larger barriers than men—including systemic socioeconomic, political, and legal barriers—their options are restricted in the face of a changing climate. When combined with climate impacts, these barriers may prevent women from reaching their full productive potential—which can affect the productivity and operations of business, particularly in agricultural and garment supply chains.

Six specific barriers—all of which business has the power to influence—make it more challenging for women to cope with the impacts of climate change:

- **Unpaid work:** As the primary caregivers, women do 2.5 times more unpaid household work and care than men,²¹ including cooking; cleaning; fetching water and firewood; and caring for the young, sick, or elderly. The effects of climate change, including water shortages, reduced mobility, deforestation, and other challenges can increase the time and risk involved in carrying out these duties. Women who are busy caring for the home and family sometimes lose their lives in natural disasters because they are not able to evacuate and access safe shelter.
- **Limited access to financial resources:** Women in the global workforce are concentrated in lower-skilled and lower-paid jobs, including informal roles, and their livelihoods are particularly dependent on climate-sensitive sectors, such as subsistence agriculture, putting their incomes at risk.²² Sectors dependent on natural

resources see higher rates of climate risk, and this is especially true for agriculture. Women are also paid less than men for the same work.²³ Moreover, women often lack access to the formal financial sector. Only 47 percent of women have an account at a formal financial institution, compared to 55 percent of men.²⁴ Without bank accounts and financial resources, women cannot easily diversify their livelihoods or access financial capital before and after climate-related disasters.

- **Discriminatory laws:** Many laws that discriminate against women, such as those limiting female workforce participation, also decrease women's adaptive capacity to climate impacts. A World Bank report that looked at 173 countries found that 155 have at least one law impeding women's economic opportunities. Women are not allowed to work in certain factory jobs in 41 economies, and in 18 economies, they cannot get a job without their husbands' permission.²⁵ Additionally, the rights afforded to women in a constitution often differ from their rights in practice.
- **Restrictions on land ownership:** Globally, more men than women own land due to male-dominated tenure structures, a lack of land and inheritance rights for women, and social norms around women's land ownership. While women represent nearly 50 percent of the agricultural workers in some countries, they represent only 20 percent of landowners.²⁶ Without land ownership, women are less likely to adapt by using sustainable farming techniques and techniques that respond to climate risk.
- **Lack of technology and capacity-building resources:** Access to technology and capacity-building resources is fundamental both in addressing poverty and in helping people to recover quickly from climate impacts. Women do not have the same access to resources as men, which limits their farm yields and makes it more difficult to adapt. Women also face a significant digital gender gap. Women have only 84 percent of the access men have to the internet and mobile phones.²⁷

Reducing the digital gender gap could unlock an estimated US\$170 billion market opportunity for the telecommunications industry alone,²⁸ while also connecting women to climate resilience information and resources.

- **Lack of voice in decision-making:** Women often lack a voice in decision-making at the household, local, national, and international levels. Not only are women forced to bear the brunt of the consequences of climate change, women are denied agency in deciding when and how to overcome the barriers they face. A voice in decision-making is critical for women to make the most effective use of access to land, to advocate for new technology or sustainable farming techniques, and to challenge the social norms that affect their ability to benefit from their labor to the same degree as men. Research shows that when women are in decision-making and leadership roles, there is a positive impact on sustainable natural resource management and climate-adaptation activities.²⁹

Climate change exacerbates existing challenges related to these barriers. For companies, especially those that have a large female workforce, increasing women's access to paid work, finance, and legitimate land rights, and the ability to voice and act on decisions at all levels, can improve the overall resilience of companies and supply chains. For companies, supporting efforts to recognize, reduce, and redistribute unpaid household work and care in the face of climate change can help protect the health and safety of women workers across supply chains. There is an opportunity for business to meet these needs. For example, financial services firms can consider opportunities to implement lending models that support female-owned businesses focusing on climate efforts. These firms can also help fill data gaps on knowledge regarding women and financial product use and challenges in the face of climate change. They can also help support the creation and dissemination of financial literacy programs and offer training for gender equality and women's leadership in climate resilience projects.³⁰

Business Risks from Climate Change and Gender Inequality

When gender-equality barriers combine with increasing climate change impacts, they present a high material risk for many companies. In particular, these risks impede supply chains from reaching their full productive potential and limit their ability to react, respond, and adapt to the unpredictable realities of a changing climate. While climate change and gender inequality present many risks to business, two of these risks are most critical: financial and operational risks, and workforce instability.

Financial and operational risks:

Companies face potential financial losses due to the impacts of climate change (e.g., extreme weather events, drought, and flooding), which affect the availability of inputs and can cause infrastructure damage across companies and their supply chains. Between 2005 and 2015, natural disasters cost the agricultural sectors of developing country economies US\$96 billion in damaged or lost crop and livestock production.³¹ Supply chains and communities face physical risks due to climate change through damage to infrastructure and facilities and reduced availability of inputs. This is because many companies rely on key commodities and supply chains that are susceptible to or already experiencing climate-related risks.³²

Workforce instability: Nearly 1 billion women are poised to enter the global economy over the next decade. These women—women who are employees and producers, business owners and executives, and consumers and political leaders—will shape business decisions. Ensuring that women can achieve their full potential at work and in all aspects of life makes good

business sense. When women do not have access to family planning, lack proper prenatal care, or suffer from intimate partner violence, this results in lost productivity and high rates of absenteeism or turnover, all of which affect companies. When women lack access to essential services, the market misses out on new entrepreneurs, and companies lose potential new consumer markets.

Climate change hits the poorest hardest, and it disproportionately impacts women. The gender barriers women face can also limit their adaptive capacity to climate impacts. Those without the resources to adapt to a changing climate will feel the impacts most, creating potential instances where employees cannot get to work, or worse—communities are completely destroyed by extreme weather events. This will directly impact a company's entire value chain—and, in particular, women farmers in agriculture and factory workers in apparel.

Aside from losses due to the impacts of climate change, companies face financial, operational, and reputational losses due to unaddressed gender inequality. With nearly US\$160 trillion in estimated global losses due to unequal pay between men and women, the world is now moving toward implementing policies and programs that will require the pay gap to be filled.³³ More and more, employees and other stakeholders will demand equal pay for everyone—and climate risks will only worsen. By addressing barriers to women's empowerment and climate together, businesses can increase women's agency and build their adaptive capacity to climate change.

Women as Change Agents

Women have unique skills, knowledge, and experiences that can be used in developing and implementing climate resilience solutions. Below are a few examples of how they act as agents of change.

Women make different choices than men that can help an agriculture community within a value chain thrive and adapt to climate change.

For generations, women have been stewards of the land, and in many regions, they are increasingly the primary custodians and food producers.³⁴ As men move to non-farm jobs, women are doing more and more agricultural work.³⁵ For instance, in Mexico and Bolivia, women are increasingly focused on maintaining knowledge about plant varieties and deciding which crops to plant.³⁶ Women also sometimes play a unique role in maintaining crop diversity by saving and exchanging seeds.³⁷ This local knowledge of the land and traditional and sustainable agricultural methods often makes women experts in natural resource management.³⁸ The methodologies women use in agriculture tend to be more in line with adaptation strategies. For instance, a World Bank study in Bolivia found that men tend to focus on large-scale interventions, whereas women prefer more practical and lower-cost improvements, such as planting new crops and diversifying livelihood activities.³⁹ Climate change already affects agricultural production and is expected to worsen, making it imperative for businesses to recognize how women's agricultural knowledge can be applied to build climate resilience.

Due to their unique role in families and communities, women can play a key role in effective disaster response.

When men find work elsewhere, women are often left behind to tend communities and farms. This means women live on the front lines of poverty, experience the initial impacts of climate change, and become a critical part of community dynamics. This firsthand experience puts women in a position to make a positive impact. For example, they know where community members live, including the elderly and children, and they know the best routes around their community. They also tend to participate in programs related to community well-being, such as water-use associations, that can be useful in climate resilience solutions. And as the ones who buy most household resources, women's purchasing habits may also be valuable in building climate resilience and preventing environmental degradation: According to the ILO, women choose less-polluting energy sources and adapt more easily to environmental changes when their family's safety is at stake.⁴⁰ This is critical for business because these skills can stabilize the supply of commodities at risk from climate change.

Business Opportunities: Using a Gender Lens for Climate Strategies

Women also present opportunities to business when it comes to driving and shaping climate resilience efforts. Women offer a variety of skills and abilities (see "Women as Change Agents" above), which can help companies develop new solutions

for anticipating, absorbing, accommodating, and rapidly recovering from climate events. Women can also help build community resilience and maximize positive outcomes for other women, which will ultimately help close the global gender gap.

Below are several opportunities for women to contribute to corporate climate solutions and business success more broadly.

Ensure long-term business stability:

Given today's climate reality, it's essential for companies to build resilience to continue doing business. Climate resilience solutions with a specific focus on women can unlock multiple business benefits and would, for example:

- Drive productivity, especially within two sectors, agriculture and apparel, which already depend heavily on a female workforce.
- Strengthen the resilience of local communities because women are well-connected in their communities and make household purchasing decisions. These women can assist in developing and lead disaster risk and resilience plans.
- Protect raw materials, especially in agricultural supply chains, because of the high number of women—nearly half in some developing countries—who work as smallholder farmers.

In practice, putting an explicit focus on women when considering the adoption of technology and climate-resilient agricultural practices can improve farmers' ability to respond to changing conditions and reduce emissions over time.

Spur innovation: According to research published in *Harvard Business Review*, companies with teams that have even just one woman, versus teams with none, perceive new opportunities and act on them.⁴¹ Involving women in climate resilience planning and implementation fosters innovation, and when women have equal access to information, tools, and technology, they are more able to adopt sustainable

practices. According to the UN Food and Agriculture Organization, if women had the same access to land, technology, financial services, education, and markets as men, yields on women's farms could increase by between 20 percent and 30 percent. This would feed between 100 million and 150 million more people, reducing world hunger by nearly half and increasing national agricultural production in developing countries by up to 4 percent.⁴² Increasing agricultural productivity leads to greater supply stability, which increases resilience and enables the community, the economy, and natural systems to rebound quickly.

Contribute an economic multiplier:

As highlighted earlier in this paper, climate impacts are creating significant economic risks. By putting women at the center of climate resilience solutions, companies can address these economic risks and support gender equality at the same time. Many studies demonstrate the powerful multiplier effect of gender equality and women's empowerment on families, communities, and economies—and this multiplier effect is particularly important in regions with a high climate risk. A higher gender inequality index is associated with higher GDP per capita average growth in all regions of the world.⁴³ According to the McKinsey Global Institute,⁴⁴ if women participated in the economy equally to men, it would add as much as US\$28 trillion to the annual global GDP in 2025—equal to the combined GDP of the United States and China, the world's two largest economies. McKinsey's analysis suggests that the highest potential economic boost could be in India (60 percent), the rest of South Asia (48 percent), and the Middle East and North Africa (40 percent).⁴⁵ If women and communities have more economic resources, theoretically their ability to adapt to climate impacts will also increase.

Increase financial stability and returns:

When companies create climate solutions and investments that take into account gender equality, they can deliver benefits to women, while creating climate resilience—both of which can increase financial stability in the long run.⁴⁶ Looking at gender equality first: Research shows that companies that prioritize gender equality are good long-term investments. A McKinsey study found that companies in the top quartile for gender diversity are 15 percent more likely to have financial returns above their respective national industry medians.⁴⁷ These companies take advantage of a larger talent pool, engage in better decision-making, and have workforces that are more reflective of and responsive to their customer base. Looking at climate resilience: it is difficult to quantify financial returns from resilience itself; however, it is clear that *without* addressing climate risk, companies face large financial losses.⁴⁸ Therefore, by acting at the intersection of climate resilience and women's empowerment, companies can increase their potential to see higher financial returns.

In addition to the distinct benefits described above, companies can deliver multiple co-benefits by empowering women across supply chains: stabilizing livelihoods, enhancing the adaptive capacity of communities to natural disasters, improving food security, and making progress toward closing the global gender gap.

Empowering women to be a part of climate resilience solutions in global value chains can also increase women's agency and strengthen their well-being.

Ultimately, companies have a prime opportunity to realize these benefits by developing women's empowerment and climate resilience solutions in tandem. Applying a women's empowerment lens to climate resilience activities can help companies develop new solutions for anticipating, absorbing, accommodating, and rapidly recovering from climate impact.

At the same time, companies should take climate risk into account in their women's empowerment strategies—particularly for women working in areas of the supply chain that are experiencing the effects of climate change. This is not merely a moral approach, but a smart and strategic approach to address inequalities, bolster community climate resilience, and maintain business continuity.

Recommendations

Women's empowerment and climate resilience require more than a series of siloed investments. Real transformation for both climate adaptation and gender equality will happen when companies tackle the structural and systemic barriers women face, involve women in solutions, and put women at the center when developing climate strategies. To thrive in the face of climate change, women need access to skills, tools, and resources; the ability to make and act on decisions; control over resources and profits; and the ability to act on climate resilience strategies.

All companies can take action in areas under their direct control—in their own operations and throughout the value chain—to empower women in the face of climate change. For a holistic approach, companies can also enable and influence other companies, partners, individuals, and policymakers. To influence the broader market, companies can offer incentives and partner and communicate with others in their industries and supply chains.

Companies can drive solutions through three levers:

ACT to put women at the center of all internal climate resilience approaches and solutions. In particular, they can provide women in supply chains access to relevant trainings, inputs, financing, and technologies.

ENABLE women throughout the value chain and broader community to effectively respond to climate-related events by linking them with local networks and partners, which can serve as mutual support mechanisms to strengthen climate resilience.

INFLUENCE underlying inequalities such as the lack of decision-making power or land rights that exacerbate the disproportionate negative impacts women face in the context of a changing climate.

The following section explores these three levers and provides a selection of case studies illustrating how some companies are acting, enabling, and influencing change at the intersection of climate and women's empowerment. This is not meant to be an exhaustive list or a step-by-step guide. Rather, it is intended to provide a starting point for intervention. Companies will have to determine their current progress and priorities for climate resilience and women's empowerment initiatives; understand their specific industry risks, opportunities, and stakeholders; assess their commodities, raw materials, and sourcing countries to fully understand the climate risks; and then decide where to take action within the company, supply chain and communities to have the greatest impact.

Act

To manage climate risks and build resilience in their operations and supply chain, companies can put women at the center of solutions such as policies and trainings. Companies can secure buy-in from internal stakeholders (especially senior leadership and procurement teams) by demonstrating the business case for acting on climate resilience and women's empowerment. They can also establish a deeper understanding throughout the company of the challenges women across the value chain face due to climate change, as well as the business opportunities that arise from taking action. Companies can also make sure women receive inputs, finance, and technology that are tailored to meet their needs. Companies can use women's intimate knowledge of the land and communities to develop new inputs or production techniques. Finally, companies can provide training for women to increase their skills and knowledge and build their adaptive capacity to the impacts of climate change, while also increasing output and resilience over time.

COMPANY	EXAMPLE
L'Oréal Group ⁴⁹	L'Oréal Group is working with local communities in Burkina Faso to source the group's shea butter. The Solidarity Sourcing program aims to provide women with an equitable income, create local value through training, and help the environment by preserving shea trees.
Kellogg ⁵⁰	Kellogg provides female farmers with climate-smart agriculture trainings and access to financing and inputs. Along with TechnoServe, Kellogg is helping 12,000 women receive training as well as access to financing, tools, and agricultural inputs such as drought-resistant seeds.
The Coca-Cola Company, the Bill & Melinda Gates Foundation, and TechnoServe ⁵¹	A project in Uganda and Kenya is working to boost the incomes of smallholder farmers. The project reached 54,000 Kenyan farmers, including 16,200 women. By providing farming-related training, the program helped female farmers increase their earnings by an average of 140 percent. For Coca-Cola, the project resulted in the introduction of Minute Maid Mango, the first of their juices in this area to use locally sourced ingredients. ⁵²
Mondelēz International ⁵³	Through the Cocoa Life program, Mondelēz promotes women's empowerment to create more sustainable cocoa-growing communities. The program is increasing women's access to farm inputs and land ownership, and it is increasing their membership in farmer groups and cooperative unions. It is also promoting leadership positions for women, ensuring equal representation, and providing mentorship. It is supporting young women by ensuring that 50 percent of young women participate in youth-oriented programming. And it is helping women improve their livelihoods through access to finance, entrepreneurial skills, and more.

Enable

Companies can create support mechanisms to maximize the impact women can have in developing climate resilience solutions, while protecting them against the impacts of climate change. This includes promoting women's membership in local women's networks, fair trade organizations, producer groups, and cooperatives, and using these groups to strengthen climate resilience. Companies can collaborate with local networks and women's organizations to help design and implement programs for the delivery of training and resources. These groups can also serve as support mechanisms to respond to climate-related events. To build strategies across sectors, companies can collaborate in cross-industry groups that integrate women into climate resilience strategies. For instance, BSR's Business Action for Women, described below, brings together companies working toward positioning women as leaders on climate resilience throughout their value chains.

COMPANY	EXAMPLE
CGIAR Research Program on Climate Change, Agriculture, and Food Security (CAAFS) South Asia ⁵⁴	CAAFS organized a "train-the-trainers" workshop for women cooperative leaders to spread awareness about the complex links between gender and climate change. Tapping into the network of cooperatives enabled the organization to reach more women at once.
The Body Shop ⁵⁵	The Body Shop is partnering with the JFPS Cooperative in Nicaragua to support small-scale sesame farmers who have been affected by climate change and environmental degradation. The cooperative receives a fair trade premium, which is reinvested toward schools and clean drinking water in the community. The company is also looking to provide loans to women as payment for unpaid household labor.
BSR's Business Action for Women ⁵⁶ collaboration	This cross-sector coalition of business leaders, including L'Oréal, Mars Incorporated, Coca-Cola, and others, is driving progress for women in global value chains by developing solutions to critical women's empowerment issues. One of the focus areas is empowering women to lead on climate resilience in agricultural supply chains.

Influence

Finally, companies have an opportunity to use their influence to tackle inequalities that may limit women's ability to adapt to climate change. They can do this in a variety of ways: by educating women and other stakeholders, advocating for fundamental women's rights, and creating opportunities for women in climate change advocacy. For instance, companies can use their influence to support legislation and policies that give women land and inheritance rights. They can advocate for women in decision-making positions, from agricultural cooperatives to parliaments. They can also strengthen the participation of women in decision-making processes on climate change and disaster risk reduction. Recently, Mary Robinson and others launched Mothers of Invention, which focuses on putting women at the center of solutions to climate change. Companies can expand or create new opportunities like this by partnering with influencers like Robinson. By engaging with women's organizations and building their capacity to empower women, companies can also increase women's participation in the formulation and implementation of corporate climate-focused policies, programs, and strategies. The involvement of women in key disaster risk-reduction initiatives—including early-warning systems and contingency and long-term recovery plans—is critical to building community resilience to disasters.⁵⁷

COMPANY	EXAMPLE
Mary Robinson and the Mary Robinson Foundation	In 2018, Mary Robinson led the launch Mothers of Invention, which focuses on activities that provide feminist solutions to climate change.
The Africa Adaptation Program (AAP) ⁵⁸	In Nigeria, AAP is focused on building women's skills and knowledge on climate change impacts, policy, financing, and negotiations.
Nestlé ⁵⁹	To ensure women's land rights are recognized and respected, Nestlé is taking part in stakeholder engagement and advocacy efforts with governments, communities, farmers, and others that are impacted or potentially impacted by the company's business activities.
The Coca Cola Company ⁶⁰	Coca-Cola is taking initial steps to recognize the importance of the gender dimension of land. The company is illuminating the issue through research and by modifying its policy on Global Workplace Rights to include information on women and land.
L'Oréal ⁶¹	L'Oréal is a founding partner of C40 Cities' Women4Climate initiative to empower women leaders in fighting climate change.

Addressing the systemic gender barriers and the complexity of challenges facing women globally requires collaborative solutions that draw on the expertise, resources, and networks of multiple partners in the women's empowerment and climate ecosystems. These groups include the public sector, multilateral organizations, civil society organizations, and business. Collectively, these actors can remove barriers, challenge norms, and create context-specific policies and interventions to protect women's rights and support their economic advancement in communities across the globe.



Conclusion

Impacts from gender inequality and climate change intersect in global value chains. To position women as agents of change on climate resilience, companies should build broad coalitions that leverage different assets and partnerships, including with local women's organizations that possess critical knowledge of their communities. Companies can enhance the adaptive capacity of their business and the women throughout their value chain by engaging women in climate solutions and disaster resilience, and by ensuring that women have equal access to and control of the resources they need to adapt to and mitigate the effects of climate change. This is a win-win approach that will tackle climate risk and gender inequality simultaneously, with clear benefits for businesses, women, and communities.

Endnotes

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