



# Peer Learning Groups

Connecting sustainability professionals to drive collective impact

## Climate Peer Learning Group Session pre-read: Climate Action in the Value Chain: Risk Management, Just Transition, Scope 3 and more

### Topic background

Climate change is an active threat to people, ecosystems, and businesses across the globe. The rise in frequency and severity of extreme weather events, food and water shortages, and negatively impacted health will not only continue to affect societies, but will also cause more disruptions in global value chains. These disruptions can affect the workforce's ability to perform or show up to the workplace safely, security of materials supplies, costs related to repairing climate damages, physical disruptions or damages to offices and assets due to extreme weather events, and more. As value chains have already been heavily disrupted by the COVID-19 pandemic and the war in Ukraine, we cannot afford additional strains on global systems.

We must take extra caution to mitigate as many climate risks as possible by focusing on adaptation and resilience, Just Transition and emissions reductions as we draft and carry out climate transition plans. With risk assessment and management, reinforcement of existing infrastructures, and placement of adequate adaptation measures, we can minimize threats to supply chains and protect communities and businesses from as much disruption as possible while simultaneously building more resilient infrastructures. As we carry out these actions, we must also ensure social protection for workers and community members most impacted by these issues through open dialogues and inclusivity at the discussion table.

Tackling scope 3 emissions can also serve as an opportunity to reinforce value chains. Scope 3 emissions often represent the largest portion of a company's inventory and mainly consist of emissions from companies within one's supply chain, leading to inconsistent accounting and tracking as a result of incomplete or inaccurate datasets or double counting of emissions. While this can be a great obstacle to overcome, it can also open the door for synergies and collaboration amongst organizations to come up with overarching solutions.



# Peer Learning Groups

Connecting sustainability professionals to drive collective impact

## Before the session

### Questions to consider:

- What are the biggest disruptions in your supply chain you are currently facing due to climate change, the COVID-19 pandemic, and the war in Ukraine?
- What are some solutions you are working on to protect your business from such disruptions?
- What are the main challenges regarding emissions in the value chain that you have identified?
- How do you engage with partners, both upstream and downstream on the matter? Have you identified any potential collaboration opportunities within your value chain focused on emissions management?
- What are some tools that have helped you track or outline your scope 3 emissions?

## Recommended pre-session materials

- UN Global Compact's resources:
  - [Decent Work Toolkit for Sustainable Procurement](#)
  - Think Lab on Just Transition's brief on supply chains (to be released)
- [SBTi's target setting tool](#) (provides updated scope 3 target setting methods)
- [SBTi's Scope 3 Guidance Document](#)

## Optional pre-session materials

- UN Global Compact LN Italy's Sustainable [Supply Chain Management paper](#)
- Greenhouse Gas Protocol's [Scope 3 Standard](#)
- Greenhouse Gas Protocol's [Scope 3 Evaluator Tool](#)