

Climate Justice

TRANSFORMATION GUIDE

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Introduction

Transform to Net Zero is a cross-sector initiative to accelerate the transition to an inclusive, net zero global economy. The initiative includes companies that are climate leaders in their industries – Danone, HSBC, Maersk, Mercedes-Benz, Microsoft, Natura & Co., Nike, Inc., Starbucks, Unilever and Wipro – plus Environmental Defense Fund, and BSR as Secretariat.

To support companies in meeting ambitious targets backed up by transformation plans, Transform to Net Zero is publishing a series of Transformation Guides. Each Transformation Guide shares experiences and lessons learned by Transform to Net Zero members when addressing a challenging implementation issue. A Transformation Guide does not prescribe a single way to tackle the issue but instead recognizes that transformation requires companies to take a range of actions across business operations, and invites readers to choose between and combine different approaches depending on which is best suited to their circumstances. The fourth in the series, this Transformation Guide is a sharing of initial experiences and learnings. It focuses on how companies might begin a process of integrating climate justice into their business transformation.

The views expressed are informed by the collective work of the Transform to Net Zero members, but do not necessarily represent the views of every member on each issue.

The Problem

Under-resourced communities bear disproportionate impacts from climate change and climate transitions. These communities face challenging recoveries from climate disasters such as tornados, monsoons and hurricanes, and ongoing risks from sea level rise, heat waves, drought, and forest fires. They also face potential adverse effects in the transition from fossil fuels to renewable energy, as well as other transitions related to industrial decarbonization, coupled with technological transitions and automation.

A climate justice approach to business transformation seeks to co-create forward-thinking solutions to support affected communities, which seek to counter current injustices, build resilience, and provide protection from further harm. A climate justice-focused transformation incorporates human rights principles, emphasizes fair and inclusive decision-making, promotes a just transition to renewable energy, and features the use of business resources to support frontline communities.

In this Transformation Guide, three Transform to Net Zero members share their unique experiences in beginning to integrate

a climate justice perspective into their businesses. These companies, Starbucks, Unilever, and Wipro, are members of the Transform to Net Zero Climate Justice Subgroup. They have been meeting for the past year to consider how to develop an equitable and responsive approach to climate justice, which centers on authentic community engagement. The work has been highly collaborative, focused on listening and learning, and appropriately reflective, given the complexity and intersectionality of climate justice challenges. The Transform to Net Zero member approaches featured in this Transformation Guide show that each organization's journey is unique: they are at different stages of their journey, approaching climate justice from different perspectives, and taking different actions.

A future goal of the Transform to Net Zero Climate Justice Subgroup is to create a toolkit, based on the experiences of member companies, and in equal partnership with community members and organizations, which would serve to guide other businesses in increasing community resiliency, and designing and implementing a just transition to a climate neutral future.

The Questions

01

Why does your company engage in advancing climate justice?

02

How did you begin your climate justice journey?

03

What actions have you taken to engage authentically with communities?

04

What lessons have you learned?

Starbucks

APPROACH

ALIGN WITH COMPANY VALUES

Starbucks thinks of its stores as “third places” (after work and home), where customers can gather and connect with conversations over a cup of coffee or tea. Starbucks began fulfilling its commitment to equity by supporting and empowering baristas, farmers, and the communities where it operates to emphasize the intersection of people and planet.

The cornerstone of Starbucks’ approach to buying coffee is Coffee Farmer and Equity (C.A.F.E.) Practices, launched in 2004. Developed in collaboration with Conservation International, C.A.F.E. Practices promotes transparent, profitable and sustainable coffee growing practices while protecting the wellbeing of coffee farmers and workers, their families and their communities. Evidence shows that farmers participating in the program have higher productivity than country averages, which has helped Starbucks create a long-term supply of high-quality coffee while improving the lives of coffee farmers and their communities. Starbucks’ goal is to ethically source and verify 100% of Starbucks coffee through C.A.F.E. Practices.

PREPARE EMPLOYEES TO PARTICIPATE

Starbucks has had a longstanding partnership with Arizona State University (ASU), which includes providing 100 percent tuition coverage at ASU to eligible partners through the Starbucks College Achievement Plan. The company offers fellowship opportunities to partners studying sustainability at ASU. A recent fellow helped document climate justice tools available to inform the work Starbucks is pursuing for its [planet positive future](#) workstreams and to influence future investments. Building on this partnership, in 2021, Starbucks and ASU created the ASU–Starbucks Center for the Future of People and the Planet research and rapid innovation facility,

to advance the betterment of people, the planet and communities.

Starbucks includes climate justice in its “Greener Apron” partner-training program, enrolled in by over 38,000 partners to date. The course provides partners with the tools they need to champion sustainability in their stores, homes and communities. The company encourages partners to complete Al Gore’s Climate Reality training, which includes information on environmental justice. The company also held workshops with supply chain, store development, and product teams to consider the disproportionate impact of climate change on under-resourced communities.

Starbucks also leverages employee resource groups such as Partners for Sustainability, the Black Partner Network, the Indigenous Partner Network and the Women’s Impact Network to provide opportunities to learn about climate justice through the voices of frontline workers, NGOs, and government leaders. For example, Leah Thomas, founder of Intersectional Environmentalism, and other youth leaders hosted by [NationSwell](#) spoke at internal events hosted by these partner organizations to learn more about climate justice. Partners for Sustainability has hosted virtual partner reading circles with the authors of *All We Can Save*, an anthology of writings by over 50 women at the forefront of the climate and climate justice movement.

PREPARE FOR EXTERNAL ENGAGEMENTS

Starbucks solicited comments on its approach to integrate climate justice from a wide range of stakeholders. Advice included the need to establish formal structures for understanding community needs and a caution to listen before leading. Stakeholders asked the company to develop timelines, milestones, metrics and evaluation mechanisms for the work, and to commit to transparent reporting on progress.

Stakeholders advised Starbucks to use its resources to support community resilience to climate change. The company expanded its commitment with a \$100 million **Starbucks Community Resilience Fund** in January 2021. The Fund aims to advance racial equity and environmental resilience by supporting community development projects in BIPOC communities. The Fund will help provide access to capital intended to support small businesses and neighborhood projects, including those addressing the inequitable impacts of climate change.

In FY 2021 Starbucks provided a \$50 million investment in its **Global Farmer Fund** created to improve supply chain resiliency and ensure a long-term supply of coffee by addressing the unmet business financing needs of farmers. Loans provided through the fund allow farmers to plant new trees, improve their infrastructure and build financial resiliency in the face of shifts in climate and markets.

ALIGN ENGAGEMENTS WITH OPERATIONS

Starbucks is engaging in renewable energy projects that benefit not only Starbucks stores and operations but also communities that may not have previously had access to a green grid. The company is investing approximately \$97 million in **community solar projects in New York State**, which will supply solar energy to 24,000+ households, small businesses, nonprofits, churches, universities, and Starbucks stores. In addition to clean energy, program participants will receive a discount to their current electricity rates under New York State's Community Distributed Generation program, making clean energy access more affordable.

Starbucks continues to rapidly expand its roster of renewable energy and decarbonization projects, including powering stores through on-site solar. The company is also exploring

how EV charging and emerging technology will intersect with changing trends in retail and how the company can bring EV charging and electric vehicles to underserved communities. By 2030, Starbucks aspires to lead the retail industry in decarbonization solutions, including Electric Vehicle charging and on-site solar availability at stores and in adjacent locations.

In southwestern Washington, Starbucks supported the development of a 38 turbine, 137-megawatt wind energy project, which provides renewable energy to approximately 140 Starbucks stores and the company's Kent Roasting Plant, along with numerous communities. As Starbucks advances its renewable energy strategy, the company will use its scale to drive innovation across the energy sector, applying an environmental and climate justice lens to new investments in the U.S. and Canada.

LESSONS LEARNED

- Take time to build trust when engaging with climate justice organizations.
- Listen to frontline communities. Do not assume you know the answer.
- Support open dialogue and ensure an inclusive and participatory approach in engaging with employees and communities, investing resources, collaborating with partners, and designing projects and solutions.
- When considering new investments in renewable energy or other ventures, build climate justice criteria into your decision-making processes and objectives.



Unilever

APPROACH



ENSURE THAT CLIMATE JUSTICE IS A CORE COMPONENT OF SUSTAINABILITY

Unilever's integrated sustainability strategy, as articulated in the company's [Compass](#), provides clear direction for making progress on social and environmental challenges. Employees and Unilever leadership, increasingly aware of demands for business to engage deeply on climate justice, initiated conversations about how to confront issues at the intersection of people and climate, and integrate climate justice within the company's sustainability commitments. Unilever is motivated to protect livelihoods, including when shifting fuel sources to renewable energy, and wants to avoid any reversal of progress on social commitments when moving forward on climate.

ENGAGE WITH INTERNAL STAKEHOLDERS AT ALL LEVELS AND IN ALL GEOGRAPHIES

Employees motivated to work on climate justice issues sought early leadership buy-in to ensure their work would be supported. They presented critical topics and issues, describing why they were relevant, and why Unilever should be acting. They held workshops on understanding what climate justice is, what it means to the company and where it needs to go next.

Unilever held focus groups with the company's sustainability advisory council and met one-to-one with council members to learn from their expertise. They also held focus groups with employees in offices and factories, within the larger value chain, and with those most likely to be affected by climate change impacts, such as smallholder farmers. The positive energy achieved from this engagement strategy increased knowledge and passion around climate justice and helped to create alignment on what the company aspires to do.

FOSTER COLLABORATION AND BRIDGE LOCAL TO GLOBAL

Unilever connected employees not accustomed to working together, for example from social sustainability, environment, health and wellbeing, as well as human rights leads, to work as a team on climate justice. A selection of employees from climate vulnerable locations across the globe act as climate justice champions, sharing their knowledge and experiences and setting up space to co-create solutions that benefit their communities and help deliver on global goals. Their local teams will be supported by a climate justice toolkit explaining the importance of acting on the topic, the global approach, and key messaging.

Looking to the value chain, Unilever also launched initiatives to engage its suppliers in Promises around Supplier Equity, Diversity and Inclusion, Living wage, and Climate. In all geographies, Unilever is looking to work with suppliers who share its values. This includes respecting human rights, and Unilever is asking suppliers to ensure organisational fairness and a living wage for workers, while reducing emissions in line with climate science.

DEVELOP AN OVERARCHING STRATEGY

Unilever's global climate justice strategy currently incorporates an impact study, an internal communications campaign, and external advocacy strategy. The impact study will increase an understanding of the materiality of climate justice and make a business case for why and how Unilever should act. The communications campaign will highlight how employees are affected by climate change and increase awareness among employees. Finally, the external advocacy strategy will use Unilever's leadership position to drive wider change. The overarching aim will be to review existing policies and practices to ensure a climate justice lens is applied.

BE HUMBLE

Unilever recognizes that climate justice is an evolving and moving space and that no company is best in class; everyone is learning and figuring out how to act. Company employees working on climate justice learned that they do not need to be experts, or to know exactly what to do straight away. They acknowledge that they need to be constantly learning, listening, and adapting.

LESSONS LEARNED

- Be patient – it takes time. Building an authentic approach requires speaking to a lot of functions, and to a lot of people and departments to bring it together.
- Speak to people who are most directly affected by climate change. Smallholder farmers, for example, bring richer insights; their stories are powerful, and can help drive action.
- Build a business case. While the moral case is clear, the business case will show internal and external stakeholders evidence of the value of acting on climate justice.

Wipro

APPROACH

UNDERSTAND YOUR MOTIVATIONS

Wipro is concerned about navigating a transition to renewable energy when over 20 million people have jobs tied to the fossil fuel industry. Wipro seeks to ensure that renewable energy systems take into consideration impacts to local communities – impacts to land systems, livelihoods and access to resources.

The company recognizes that the move to renewable energy will cause stronger dislocations in certain economies and regions, typically low-income and historically disadvantaged areas, and that businesses promoting a net zero future in these geographies should take action to foster a just transition.

GOING BEYOND THE VALUE CHAIN

Wipro examines the company's own value chain on an ongoing basis to determine where the greatest climate change risks are located and where the company can have a positive impact on critical stakeholders. In considering actions along its value chain and beyond, the company asks the question "Where is the maximum sphere of influence to work on climate justice issues?" and finds organizations to help build capacity and co-create solutions.

For over eight years, Wipro has been working with water-stressed communities and regions near its operations, where there is high dependence on informal sources of water. The company's approach in these communities has been to bring

in a science-based understanding of the challenge to manage local water resources, which helps build resilience and provide equitable access. Through its work, Wipro has supported the role of traditional well diggers in developing understanding and revival of the shallow aquifer. It has also tried to bring to light the ingenuity and resilience of peri-urban farmers dependent on groundwater and used water flows.

Wipro initiated the **Bangalore Sustainability Forum**, a platform of organizations in the city where its headquarters are located. The Forum provides a space for deliberations and dialogues on urban sustainability issues, and supports collaborative community grant projects in areas like climate change, water and biodiversity. The company has also worked with waste picker organizations in India's informal sector to ensure social benefits and entitlements, build community resilience, and increase upcycling and recycling.

Wipro is also part of a working group developing "Responsible energy principles," through which the company aims to work with companies in the energy sector, especially with renewable energy companies, to integrate social and long-term community impact dimensions into renewable energy development.

Wipro sees a critical role in building capacity and skills in the future generation on the issues of environment and social impacts. For the past 11 years, Wipro has been running Wipro **earthian**, the largest environmental education program of its kind in India, which has engaged with many schools and



colleges. Working with environmental education partners, government, schoolteachers, faculty and children – the Wipro Foundation offers a range of activity-based programs for schools, offers internships, and helps develop environmental education curricula in many higher education disciplines.

Wipro is looking to build and expand its work on climate adaptation in cities and disaster rehabilitation. This work will aim to integrate various elements such as flood mitigation, water and sanitation for low-income communities, electric mobility and public transport, urban biodiversity, and the development of green space.

MEASURE IMPACT

Wipro believes that it is critical to evaluate and measure impact. This is straightforward with projects that link directly to operations, such as those linked to water efficiency or waste management. However, in building capacity, for example, on community-led water stewardship or with waste pickers, the outcomes play out over the longer term – this could be when engagement and interventions scale up leading to an integration into policies and city administration practices. While Wipro currently does not conduct a formal impact assessment, the company is planning to do so in the future. The company has developed a **comprehensive repository of case studies**, user guides and qualitatively described impacts, recognizing that community impacts are challenging to measure and attribute. Engagement is also measured through website impressions, participation in forums and programs, and applications for community grants.

BE HUMBLE

Wipro does not go into communities as experts – but as active listeners and curators. The company believes that the experts are the communities on the ground. Wipro thinks of itself as a catalyst to enable communities to be more resilient.

LESSONS LEARNED

- Be grounded in principles of equity and justice.
- Be flexible in approach. More often than not, education and engagement are the primary gaps compared to implementing projects on the ground.
- Go beyond remit and value chain – engage with the community.
- Be engaged for the long run.

Key Takeaways

1. Do the internal work first.

Employees will be a significant resource in addressing climate justice issues. Company-wide engagement is critical to success. Assess your employees' understanding of climate justice, and provide opportunities for them to lead, learn, discuss and engage.

2. Develop an approach aligned with your company's values.

Authentic engagement in climate justice must reflect your organization's values, and its commitment to equity and justice. Actions ranging from supporting a just transition to renewable energy, to supporting community resilience, require an understanding of where your company believes it can have the most impact.

3. Incorporate climate justice into your company's sustainability strategy.

A climate justice approach that is built into the core strategy will have a broader impact. Along with building employee engagement and capacity, the work of revisiting and refining sustainability strategies to center on equity and justice is critical. Include climate justice criteria in decision-making.

4. Carefully prepare for external engagement.

Authentic engagement in climate justice at the community level requires extensive preparation. Begin by deciding which geographies to work in, and reach out to key external stakeholders. Respect and apply stakeholders' advice. Build formal structures within your organization to listen and learn.

5. Align engagement with your operations and along your value chain.

Climate justice impact will be magnified when initiatives fit within your organization's purpose, deploying operational and value chain capabilities. Choose initiatives carefully to leverage core capabilities and partnerships to amplify impact.

6. Contribute financial resources to magnify impact.

Community capacity building is a critical component of climate justice work. Financial resources should be deployed through mechanisms such as foundations, grants and loans, which can magnify and scale impact beyond value chain and geography.

7. Be humble, be patient, and learn from experience.

Listen before leading. Acknowledge that your organization is not an expert on climate justice, but that the affected communities you work with are. Take time to co-create solutions. Expect setbacks and mistakes, but learn from them.

Checklist

- ✓ Gauge employees' knowledge of and interest in climate justice
- ✓ Provide opportunities for employees to learn and discuss issues
- ✓ Determine which geographies along the value chain to work in
- ✓ Align climate justice strategy with company values to have maximum impact
- ✓ Engage with external stakeholders to determine the issues to address
- ✓ Make a business case and allocate financial resources
- ✓ Measure impact through stories and case studies

Additional Resources

Starbucks:

[Starbucks expands initiatives to advance opportunity, equity and inclusion in the communities it serves](#)

[Starbucks solidifies pathway to a planet positive future](#)

Unilever:

[Unilever Compass](#)

Wipro:

[Bangalore Sustainability Forum](#)

[Wipro earthian](#)

[Urban Waters Bengaluru](#)

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