

Building business and supply chain resilience to climate change and extreme weather events



Safeguarding resilience of agri-food supply chains and farm enterprises is increasingly important for businesses to manage the risks posed by climate change and extreme weather events. ADAS offers a breadth of technical expertise and tools to identify potential climate threats and opportunities, mitigate greenhouse gas emissions, implement adaptation measures and improve the resilience of businesses and their supply chains through strategic planning and effective risk management.

Key drivers for building resilience to extreme weather

- ✓ Ensuring security of supply for raw materials
- ✓ Reducing the risk of disruption
- ✓ Prioritising investment to reduce risk
- ✓ Capitalise on new and emerging opportunities
- ✓ Reputational benefits
- ✓ Strategic advantage over competitors



Climate change is one of the most significant, yet overlooked issues facing mankind. Projected increases in the frequency and severity of extreme weather events, such as precipitation extremes, floods, droughts and heatwaves will cause widespread displacement and disruption to many businesses and their supply chains that have not planned and prepared.

Through identifying and implementing plans and adaptation measures, businesses can mitigate the impacts from unexpected events both locally and globally, thus increasing security of supply, sustainability and business resilience. ADAS helps our clients understand which parts of their businesses or supply chains are most vulnerable to harm and form strategies to address the risk and improve resilience.

Example climate and weather impacts for food and drink businesses

- More intense rainfall events will increase the risk of river and surface water flooding
- Wind, rain and heat damage to key infrastructure can cause disruption across supply chains
- Heatwaves can lead to heat stress for outdoor workers, livestock and crops
- Warmer, wetter winters will impact pest and disease survival rates
- Changing rainfall patterns will have implications for water resource management

Benefits of working with ADAS to build business resilience

Risk assessment | Effective risk management through the identification, quantification and prioritisation of climate and extreme weather impacts to your business and supply chain in the short and medium term.

Identification of adaptation measures | Climate change adaptation options can be evaluated so you have a clear picture of their cost effectiveness, practical issues and how it can be integrated into your business

Opportunities to increase sustainability and resilience | Highlighting where opportunities may lie to help increase performance, identify cost savings and enhance security of output

Improved communication and engagement | Working with the supply chain to tackle problems together inspires mutual trust and confidence that adds value to all businesses

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“ADAS have helped a range of corporate clients to manage risk and improve business resilience”



Climate change risk assessments

- ✓ Identify key climate impacts and risks
- ✓ Tools quantify and prioritise risk by likelihood and severity
- ✓ Signposting to potential adaptation solutions

Climate change and extreme weather events present both threats and opportunities to global food and beverage companies and their supply chains. Risks in the short and medium term are identified, quantified and prioritised to help implement effective adaptation solutions, minimise business disruption and increase resilience to ensure security of supply.



Vulnerability risk assessments for security of supply

- ✓ Benchmarked supplier practice and farm-standards
- ✓ Identified areas of vulnerability within the supply chain
- ✓ Tool developed for client internal use for sourcing vegetable products

ADAS developed a tool which benchmarked supplier practice, in-country legislation and on-farm standards used by the supply base for a large food company sourcing vegetable products from the UK and Poland. The tool was piloted at different stages in the supply chain to identify areas of vulnerability and recommend additional controls to increase resilience.

Impacts of climate on global supply chains

- ✓ Surveyed suppliers for insight into production & supply chain practices
- ✓ Quantified risks in the supply chain at an international level
- ✓ Enhanced relationships between the business and its suppliers

Farmer engagement for a multi-national beverage company sourcing malting barley in South Africa, Australia and Argentina to understand practices and key issues for local sustainability and global security of supply. Farmers were consulted on production practices, environmental, economic and social sustainability challenges. Key sustainability risks were quantified and prioritised for action by client.



Resilience and risk management workshops for suppliers

- ✓ Knowledge exchange to help suppliers understand climate risk
- ✓ Options to manage risk through effective cost-saving measures
- ✓ Improved business resilience to help suppliers secure farm output

ADAS provided advice and training to farmers to understand and manage the risks and opportunities to their business from climate change and extreme weather events in order to secure farm output, meet market requirements and prioritise actions that result in significant financial benefits. Workshops were delivered through the Farming Advice Service.

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