

**Title: Climate Policies in Supply Chains**

**Speaker: Swarnodeep Homroy, University of Groningen**

**Area: F&A / POM**

**Date: 23.01.2024, Venue: P11 @ 2.30PM**

**Abstract:**

We show that supply chain connections influence the adoption of climate-responsible policies. Using granular firm-level disclosures, we show that suppliers adopt climate action and governance policies following customer firms' adoption of emission reduction targets. Such transmissions are driven by relative bargaining power rather than through a reconfiguration of customer firms' supply chain. However, we find no effect on adopting suppliers' climate outcomes or its leading indicators. This policy-outcome gap is lower when suppliers have higher gross margins and customers can better monitor suppliers' climate actions. Our results have important implications for public policies on environmental due diligence in supply chains.

**Speaker Profile:**



Swarnodeep Homroy is an Associate Professor of Finance at the University of Groningen. He has previously worked at Lancaster University and a Big Four consulting firm. His research focuses on the economic and financial implications of climate change, gender inequality in the workplace and the intersection of corporate finance and political economy. He is an Associate Editor of Applied Economics, British Accounting Review and Plos One.

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