



## Deloitte 2022 CxO Sustainability Report

The disconnect between ambition and impact | France

## Global summary

- CxOs' apprehensions about the planet's climate have increased over the last several months, as has their optimism that immediate action can make a difference. But there are multiple disconnects between these business leaders' opinions and motivations, the actions their organizations are taking, and the impact they're having, according to Deloitte's survey of over **2,000 CxOs across 21 countries**.
- The following deck examines **how France's executives stand out from their global counterparts** on key themes.

### Key global findings:

Approximately **two-thirds of executives say their companies are very concerned about climate change** and 79% see the world at a tipping point to act—a number that was 59% in a similar [Deloitte survey](#) taken in early 2021. Their concern is influenced by the impact climate change is already having:

- **Almost all respondents (97%)** indicated their companies have already been negatively impacted by climate change, and about half said their operations have been affected (e.g., disruption to business models and supply networks worldwide).
- **Eighty-one percent of CxOs** have been personally impacted by a climate event (e.g., extreme heat, worsening storms, wildfires) over the last 12 months.
- Additionally, **stakeholder groups**—including regulators, shareholders, consumers, and employees—are all adding to the pressure to act.

Yet, there is a prevailing sense of optimism: **88% agreed that with immediate action, we can limit the worst impacts of climate change**. That figure was 63% eight months ago.

Business leaders who said they've taken at least **four of the five** most substantive sustainability actions serve as a model for tackling sustainability with efficiency and effectiveness, while reaping the benefits in return. Those actions are:



*Developing new, climate-friendly products or services*



*Requiring suppliers and business partners to meet specific sustainability criteria*



*Updating or relocating facilities to make them more resistant to climate impacts*



*Incorporating climate considerations into lobbying and political donations*



*Tying senior leader compensation to sustainability performance*



### **Disconnects exist between ambitions, actions, and impacts**

While companies are acting, they are less likely to implement actions that demonstrate they have embedded climate considerations into their culture and have the senior leader buy-in and influence to effect meaningful transformation.

Additionally, CxOs continue to struggle with the short-term costs of transitioning to a low carbon future. The five lowest-ranked benefits of climate strategies cited by CxOs were: revenue from both longstanding and new business, asset values, cost of investment, and operating margins.

Our report further explores the disconnect between ambition and action, as well as steps CxOs can take to start to bridge the gap.

## France country profile

- We surveyed **113 executives** in France.

### FRANCE BUSINESS PROFILE:

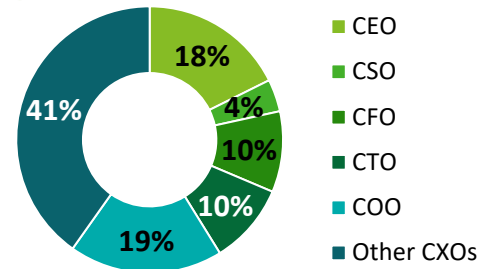


#### Number of Employees

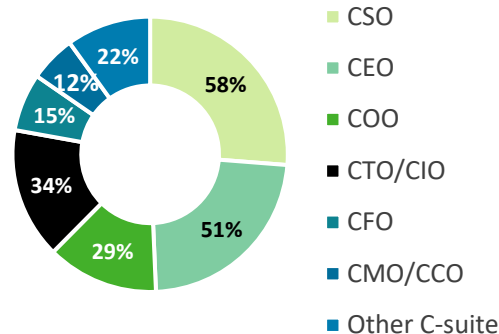
- <5K: **38%**
- 5K to 9,999: **15%**
- 10K to 19,999: **17%**
- 20K to 49,999: **9%**
- >50K: **21%**



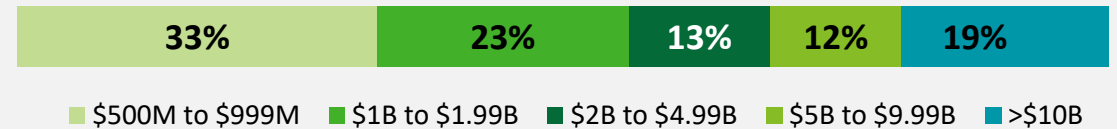
#### Job Title



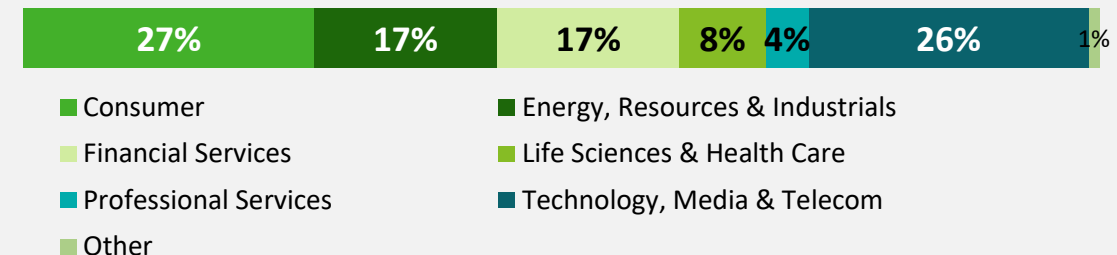
#### Position(s) at your company responsible for climate goals



#### Revenue (USD)



#### Industry

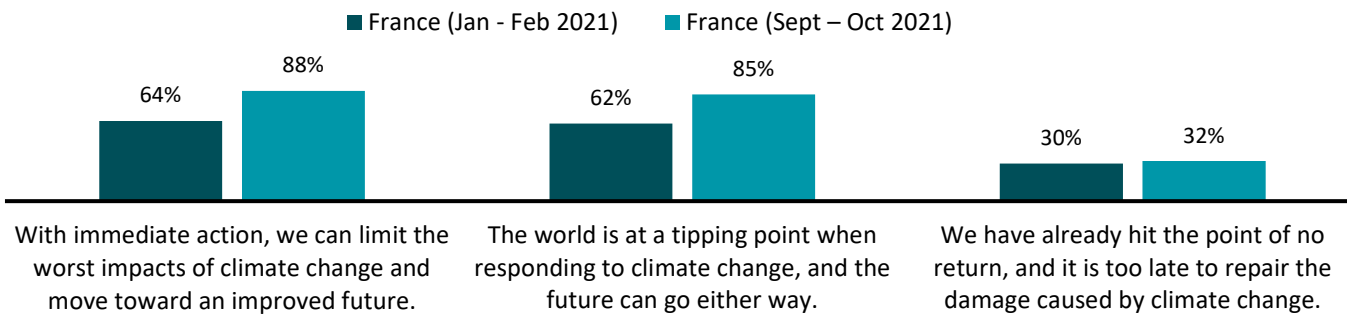


Most executives believe the world is at a tipping point for responding to climate change

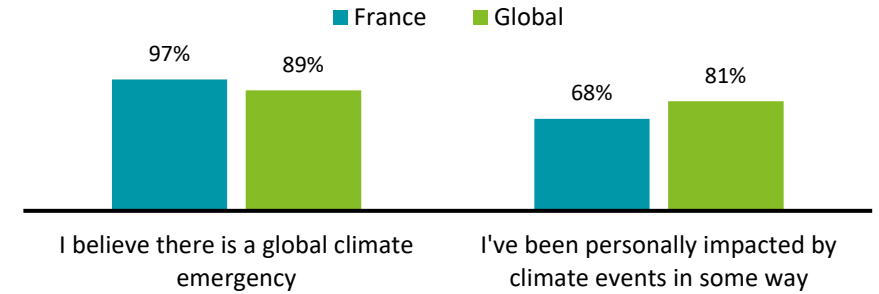
- Like global executives, concern about climate change has increased over the past few months for French CxOs: 85% of French executives today see the world at a tipping point for responding to climate change compared to just 62% eight months ago. Despite the gravity of the moment, there is a prevailing sense of optimism as 88% currently (compared to 64% eight months ago) agree that with immediate action, we can limit the worst impacts of climate change.
- Compared to global CxOs, French CxOs are slightly less likely to have been personally impacted by climate events in some way over the past year, though they cite extreme heat, severe flooding, and severe drought as top impacts.



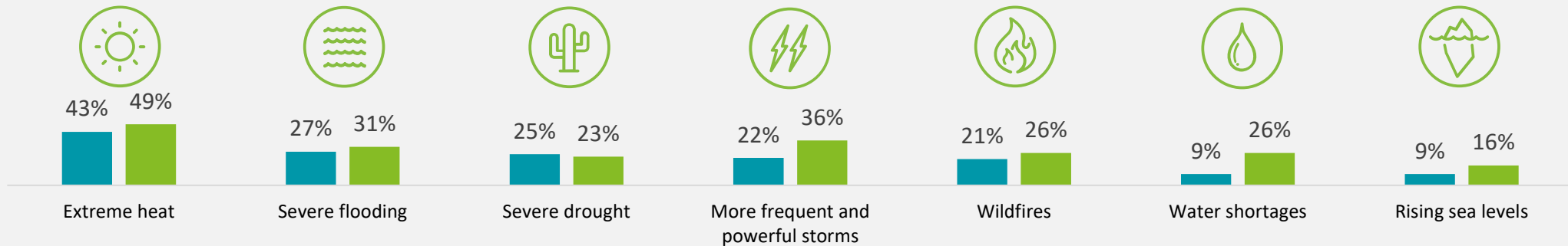
**Do you agree or disagree with the following statements related to the environment?**



**To what extent do you agree or disagree with the following statements related to the environment?**



**Have you been personally impacted by any of the following in the last twelve months? (select all that apply)**



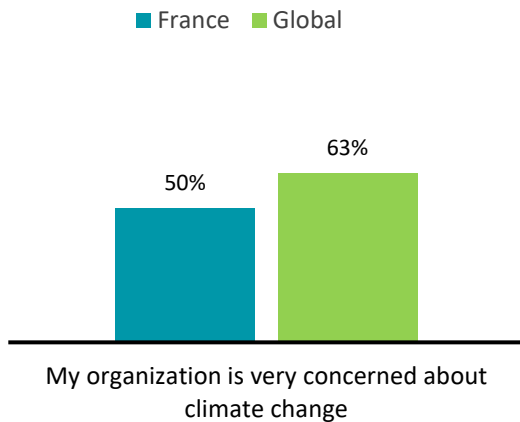


Respondents express concern and say their companies have been affected by climate change

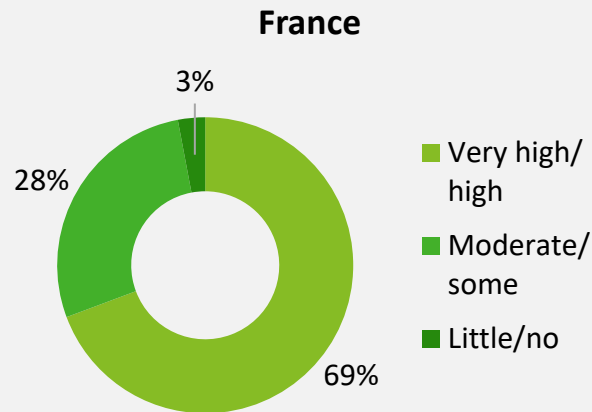
- French CxOs indicate their companies are less concerned about climate change than the global average; however, the majority of French companies are still focused on incorporating climate into their strategies and operations over the next three years, placing France in the top 3 among polled countries for expected impact of climate change on company strategy.
- French companies are more likely than global companies to feel the regulatory impacts of climate change as well as a need for industry process modification.



How concerned is your organization about climate change?

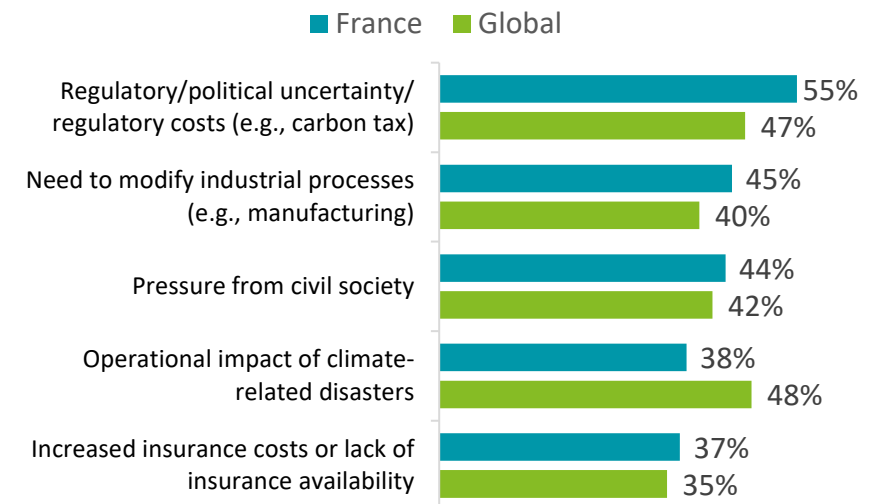


To what degree do you expect climate change to impact your company's strategy and operations over the next three years?



What are the top climate change issues already impacting your business? (select all that apply)

**99%** of French respondents who say their company has already been impacted by climate change (compared to 97% globally)



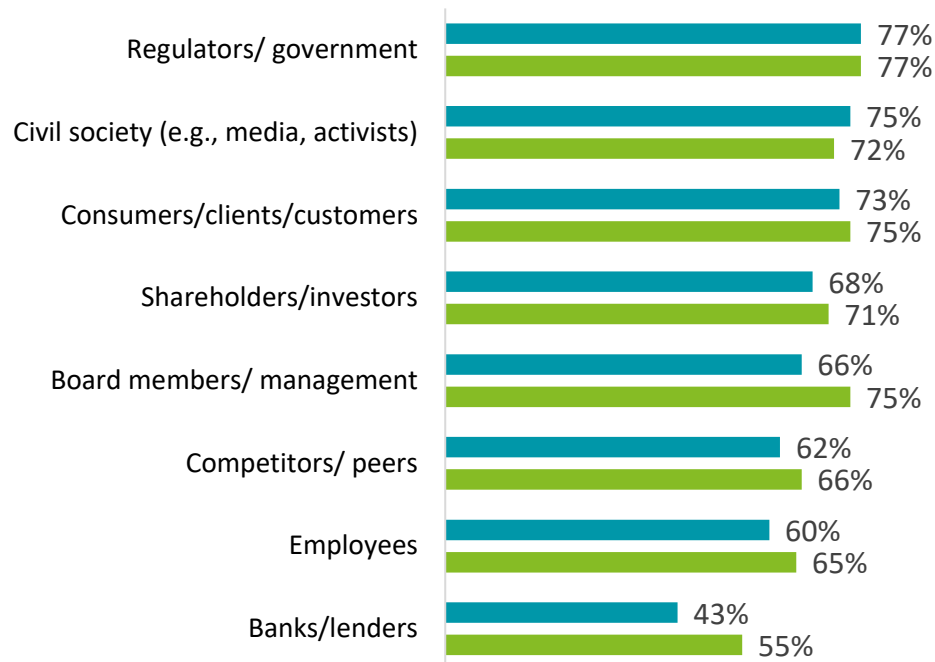
## Stakeholders are pressuring companies to act; CxOs believe government also shares responsibility

- French companies are feeling pressure from outside forces to act on climate, citing regulators/government and civil society as top sources of pressure. They are less likely to feel pressure from board members/management and banks/lenders compared to the global average.
- They are significantly less likely to think their country's national government is doing a good job mitigating the impacts of climate change compared to the global average.



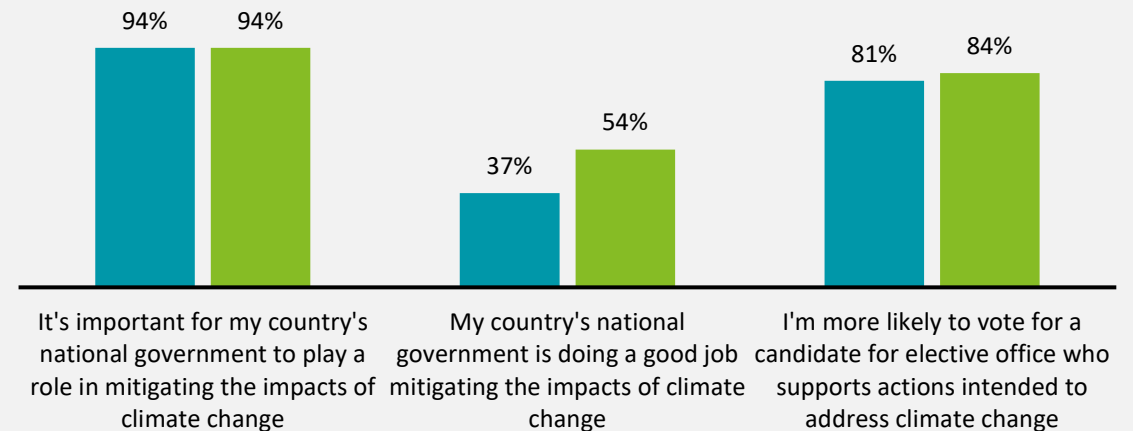
*To what extent does your company feel pressure (to a large/moderate extent) to act on climate change from your stakeholders? (select all that apply)*

■ France ■ Global



*% agree/ strongly agree with the following statements related to government's role in mitigating climate change*

■ France ■ Global



At a global level, there are disconnects between CxOs' ambitions and the actions their companies are taking

- French companies are typically on par with the global average and are generally just as likely as global companies to be implementing the tougher actions defined by Deloitte's analysis.
- When it comes to tying senior leaders' compensation to sustainability performance, French CxO's lag by more than 10% compared to the global average.

Which of the following actions/adaptations has your company already undertaken as part of its sustainability efforts?  
(select all that apply of up to 15 actions)



TOP ACTIONS TAKEN

67%

Using more sustainable materials (e.g., recycled materials, lower emitting products) *Global = 67%*

66%

Increasing the efficiency of energy use *Global = 66%*

58%

Reducing the amount of air travel post-pandemic *Global = 55%*

52%

Training employees on climate actions and impact *Global = 57%*

52%

Creating a senior position (e.g., Chief Sustainability Officer) or function responsible for driving sustainability initiatives *Global = 53%*



HARDER TO IMPLEMENT, NEEDLE-MOVING ACTIONS\*

49%

Developing new climate-friendly products or services *Global = 49%*

49%

Requiring suppliers and business partners to meet specific sustainability criteria *Global = 46%*

42%

Updating/relocating facilities to make them more resistant to climate impacts *Global = 44%*

39%

Incorporating climate considerations into lobbying/ political donations *Global = 40%*

26%

Tying senior leaders' compensation to sustainability performance *Global = 37%*

\*As defined by Deloitte's analysis

Benefits of climate strategy and obstacles that impede impact

- French CxOs listed customer satisfaction, brand recognition and reputation, and addressing climate change as the top three benefits of their climate efforts. The bottom three were all financial— investor returns and/or satisfaction, revenue from new businesses, and operating margins—perhaps suggesting CxOs continue to struggle with the short-term costs of transitioning to a low carbon future.
- French CxOs were less likely to cite insufficient supply of low-emissions inputs, but more likely to be concerned about difficulty measuring environmental impact and the magnitude of change that is required.



*I strongly believe my company's current sustainability efforts have/will have a positive impact on the following (select all that apply)*

▲ TOP FIVE BENEFITS SELECTED

52%

**Customer satisfaction**  
(e.g., meeting client expectations)  
Global = 46%

46%

**Brand recognition and reputation**  
Global = 49%

45%

**Addressing climate change**  
Global = 43%

38%

**Employee morale and well-being**  
Global = 42%

32%

**Innovation around offerings and/or operations**  
Global = 39%

▼ BOTTOM FIVE

22%

**Supply chain efficiency and/or resiliency**  
Global = 33%

21%

**Revenue from longstanding business**  
Global = 28%

20%

**Investor returns and/or satisfaction**  
Global = 34%

20%

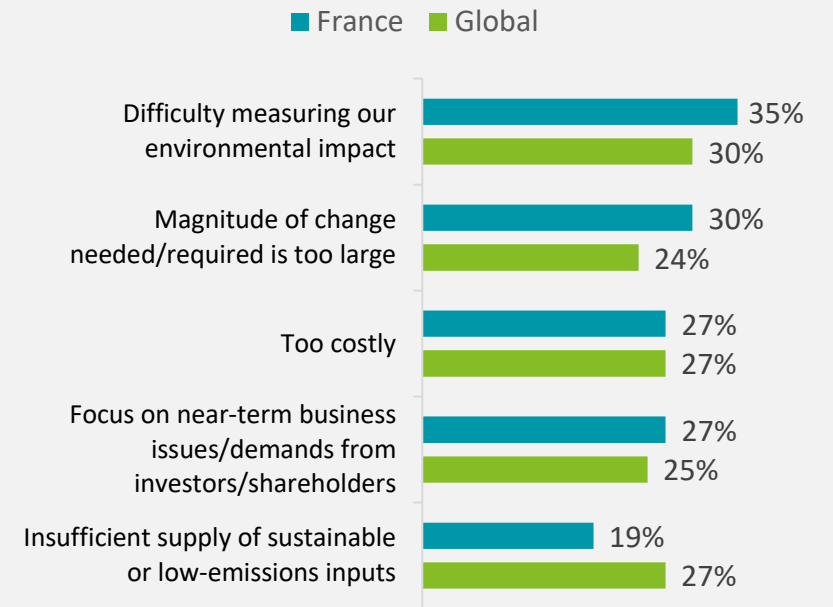
**Revenue from new businesses**  
Global = 32%

14%

**Operating margins**  
Global = 30%



*Top five obstacles to driving sustainability efforts (Select top 2)*

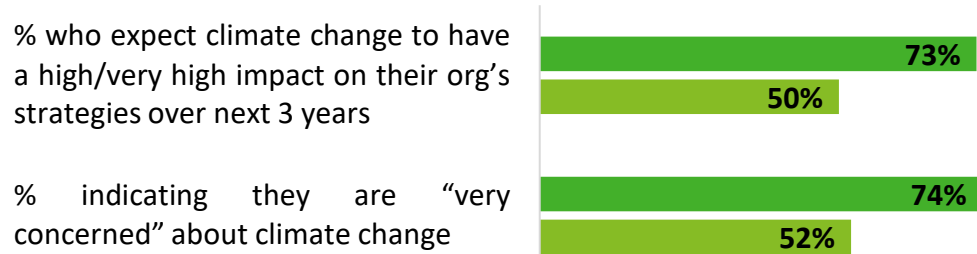




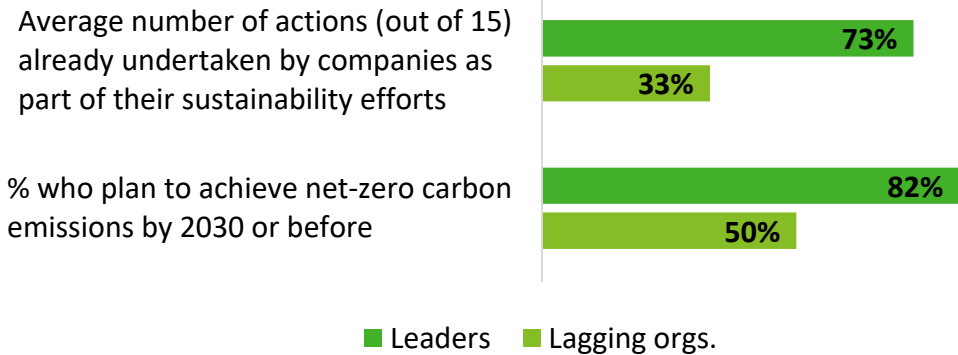
Actions and characteristics that set climate leaders apart

- The survey revealed a group of leading organizations—comprised of 19% of global CxOs—who have implemented at least 4 out of 5 of the “needle-moving” sustainability actions listed on slide 2. In France, 15% of respondents are climate leaders.
- On the other hand, those organization who had only implemented one or zero of these leadership actions—35% of the global and 39% of French organizations—have catching up to do.
- The benefits of being a climate leader rather than a lagging organization are clear, and they are evident in nearly every part of our survey.

Leaders are more concerned\*



Leaders are more active\*



Leaders see greater benefits to their climate strategy\*

*I believe my company's current environmental sustainability efforts have/will have a positive impact on...*



\*Note: Graphs on this page represent Global data, not country-level data. Country-level data for leading and lagging organizations would be too small of a number to be statistically accurate.



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