



2022 Climate Check:

*Business' views on climate action
ahead of COP27*

October 2022



Executive summary

Since COP26 in November 2021, the world has been upended by the war in Ukraine, rising inflation and global economic uncertainty, among many other geopolitical crises. Each of these poses a risk to the sustained action needed to address the climate crisis. Ahead of this year's COP27 in Egypt, we sought to better understand the state of climate action from the perspective of business leaders.

Deloitte's latest climate survey of 700 executives, conducted in August and September 2022, sheds new light on executives' top concerns surrounding the climate crisis, the actions they are taking and those they would like to see governments take, and the gap that must be closed between sentiment and action to advance progress toward a more sustainable future.



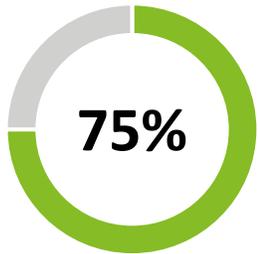
Key insights include:

- **Executives are optimistic.** 75% agree COP27 will generate the outcomes needed to conform to the Paris Agreement—and 87% say investing in environmentally sustainable practices has long-term economic benefits.
- **Nearly 40% of organizations will accelerate sustainability efforts over the next year.** Yet, external factors such as inflation and geopolitical issues are having an impact on some corporate climate and sustainability strategies.
- **Mixed views on government support.** While 55% of executives support new government regulations and policies, only 27% say they want governments to prioritize enforcing existing regulations and policies.
- **Most organizations have initiated climate mitigation and/or adaptation strategies.** 69% are executing mitigation and 68% are executing adaptation strategies, but some industries are lagging.
- **Security risks related to climate change lead list of global concerns.** Executives also flag greenwashing and ensuring a just transition as key issues that need more global attention.

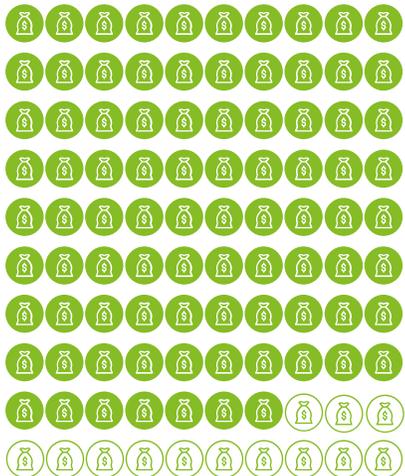


Executives are optimistic but face headwinds as they advance climate initiatives

Most are optimistic about COP27 sustainability outcomes



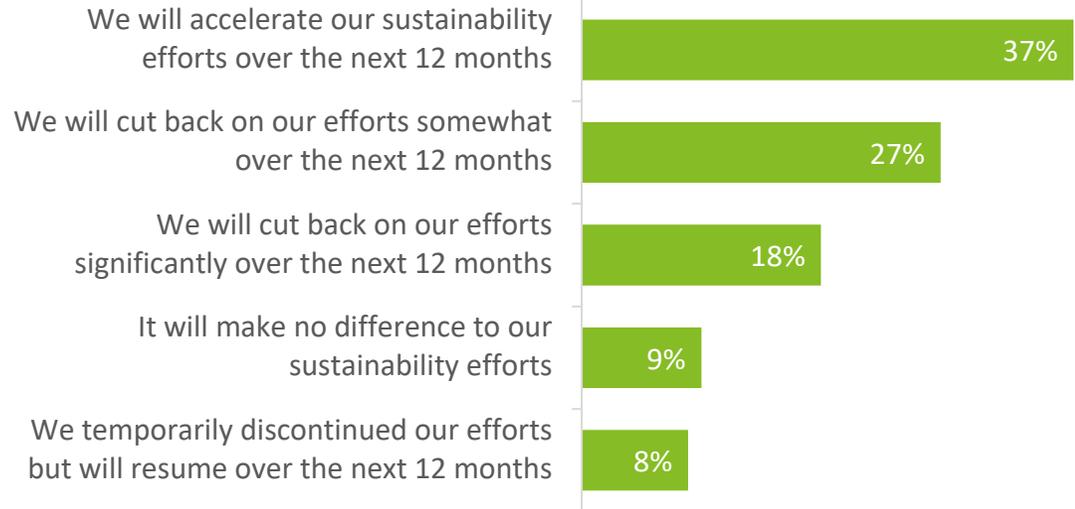
agree/strongly agree that **COP27 will generate the outcomes needed to produce sustained changes** that conform to the Paris agreement



87%

say investing in environmentally sustainable practices has long-term economic benefits

How have external factors (e.g., inflation, effects of the war in Ukraine, etc.) impacted your organization's climate and sustainability strategy?



75%

agree that their organization can continue to grow as they reduce carbon emissions

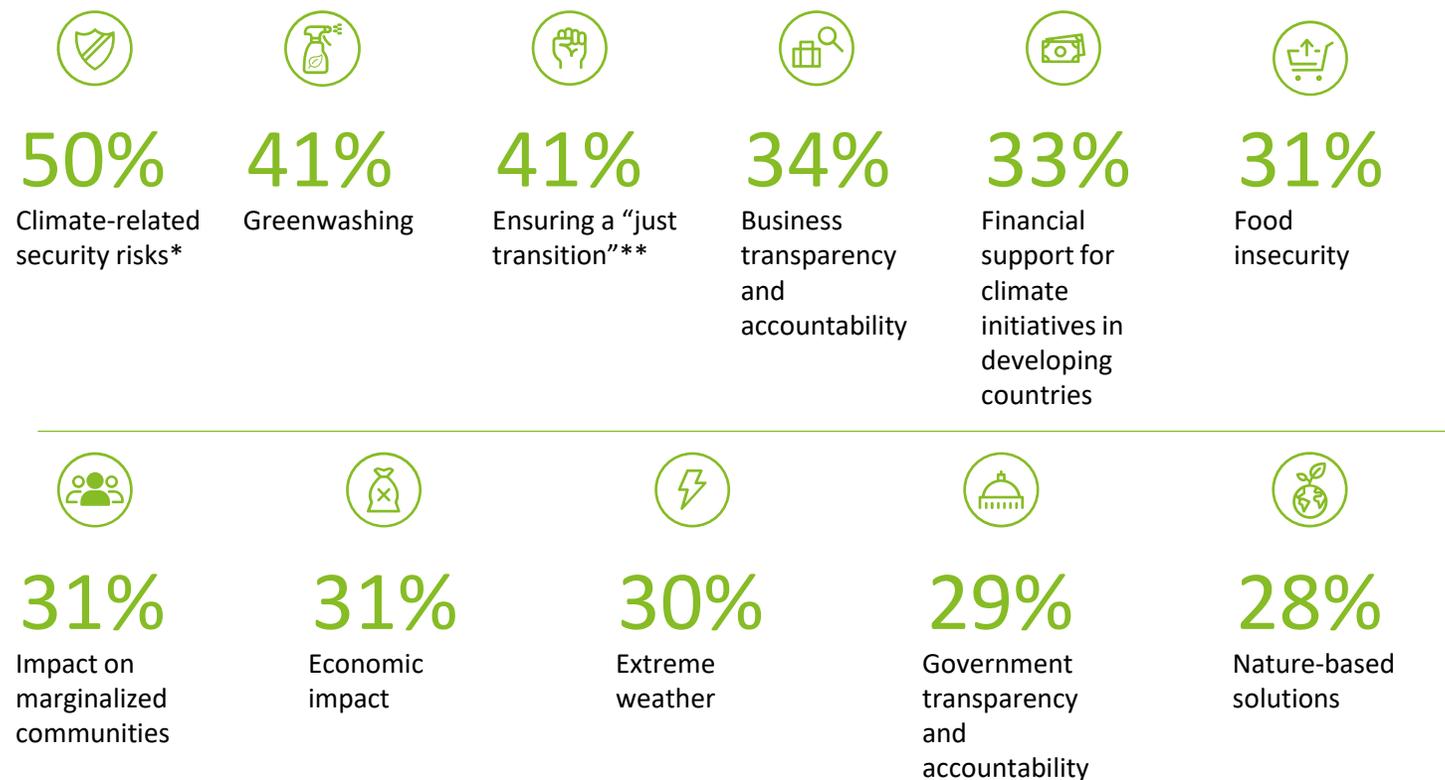
57%

agree that their organizations have invested in the technologies needed to reduce greenhouse gas emissions within their own operations



They believe climate security risks, greenwashing, and ensuring a just transition should be top global priorities

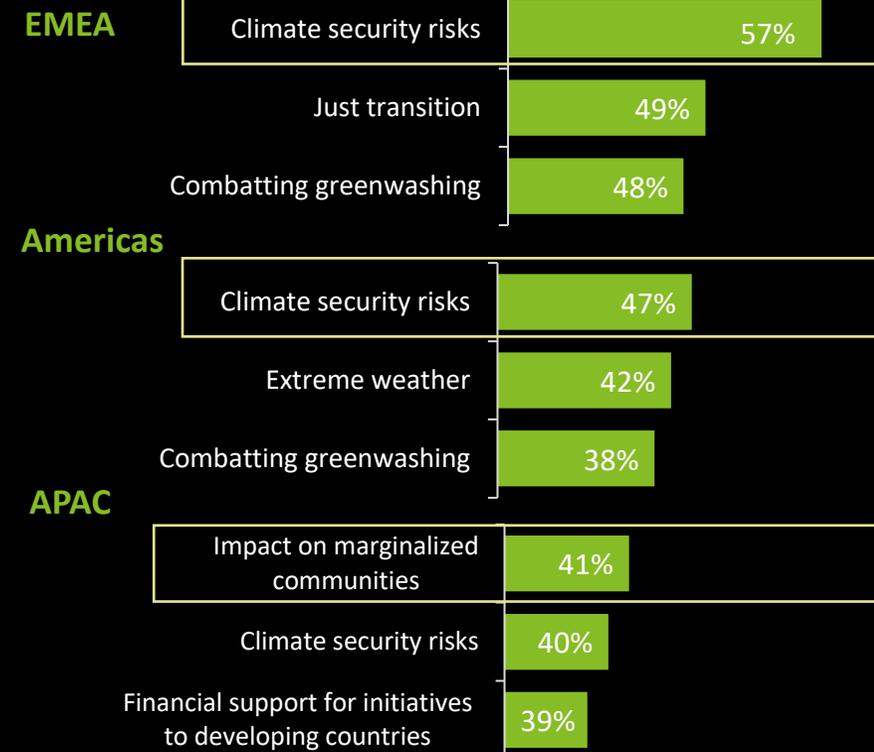
In your view, which of the following climate change topics should get more attention globally?
Select top four.



*Climate security risks refers to the national and international security risks induced, directly or indirectly, by changes in climate patterns.

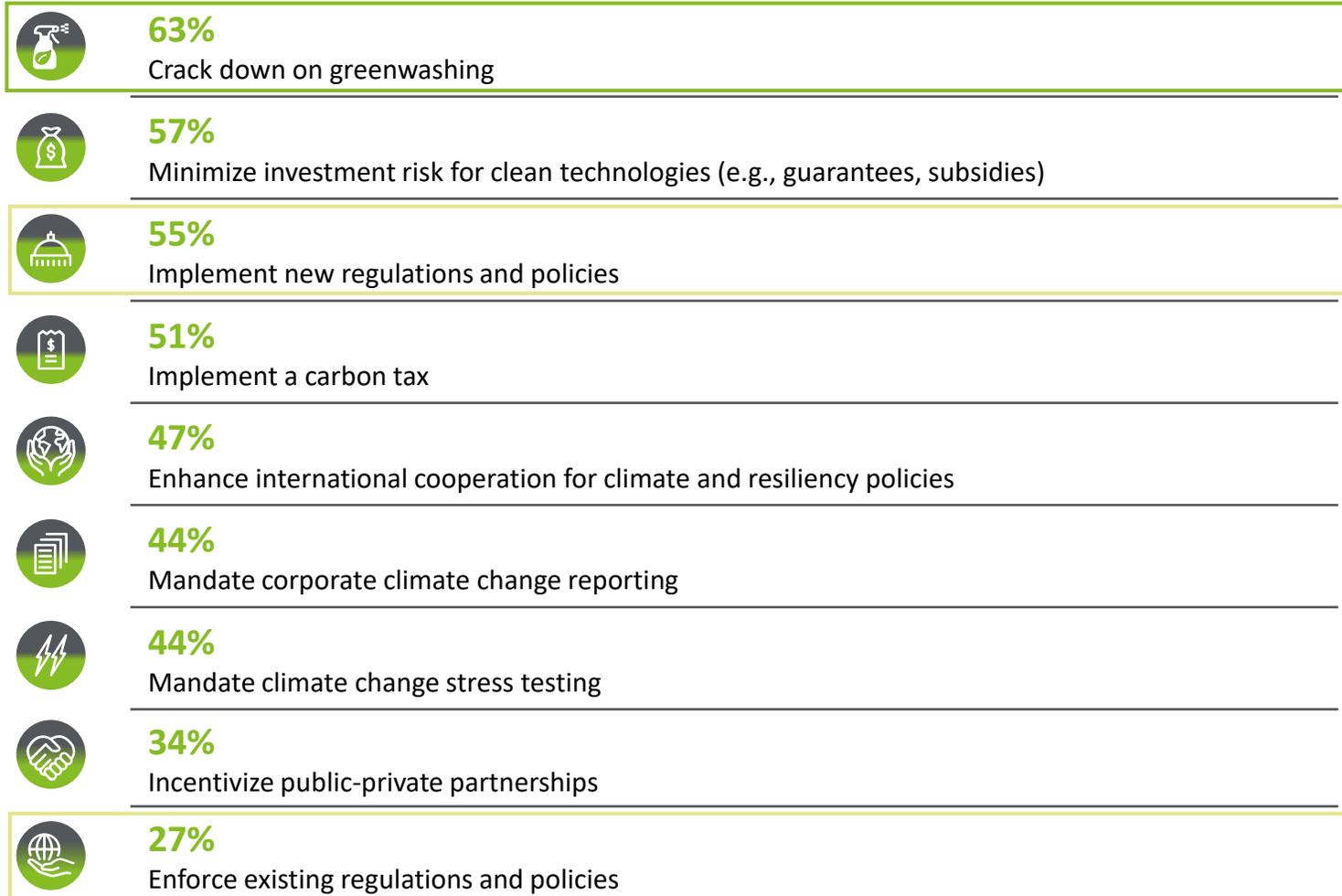
**A just transition seeks to ensure that the substantial benefits of transitioning to a green economy are shared widely, while also supporting those who stand to lose economically—whether countries, regions, industries, communities, workers, or consumers.

APAC executives rank issues related to marginalized communities and supporting developing countries among the top three climate topics that should be prioritized globally.



Business leaders are calling for more government support, particularly to fight greenwashing and minimize investment risk

Heading into COP27, what should governments do to encourage businesses to address climate change? *Select all that apply.*



66%
of leaders agree that **greenwashing has become a serious problem** in their industries

Notably, while **55%** support implementing **new** regulations and policies, only **27%** say they want governments to prioritize enforcing **existing regulations**

The manufacturing and energy industries lag other industries in climate mitigation and adaptation strategies

How focused is your business on building climate mitigation and adaptation strategies?

CLIMATE MITIGATION STRATEGY



CLIMATE ADAPTATION STRATEGY



We have not developed a strategic plan for this and do not plan to in the next 1-2 years

We have not developed a strategic plan for this but plan to in the next 1-2 years

We have developed a strategic plan for this and will begin our strategy execution in the next 1-2 years

We have developed a strategic plan for this and have begun our strategy execution

We are executing a strategic plan for this and tracking measurable results

Industries most likely to say they do not have strategic plans for climate mitigation and adaptation

Industry	Mitigation	Adaptation
Industrial products/manufacturing	49%	30%
Energy and resources	28%	28%

Note: Numbers in figure might not add to 100% due to rounding.

Majority of executives prioritize a just transition, but views vary by industry

To what extent is ensuring a “just transition” a priority for your organization?



74% of executives who say **ensuring a just transition is a top priority** also say their organization has **invested in the technologies it needs to reduce greenhouse gas emissions** compared to just 57% of all executives surveyed

A just transition is a **top priority** in the following industries:



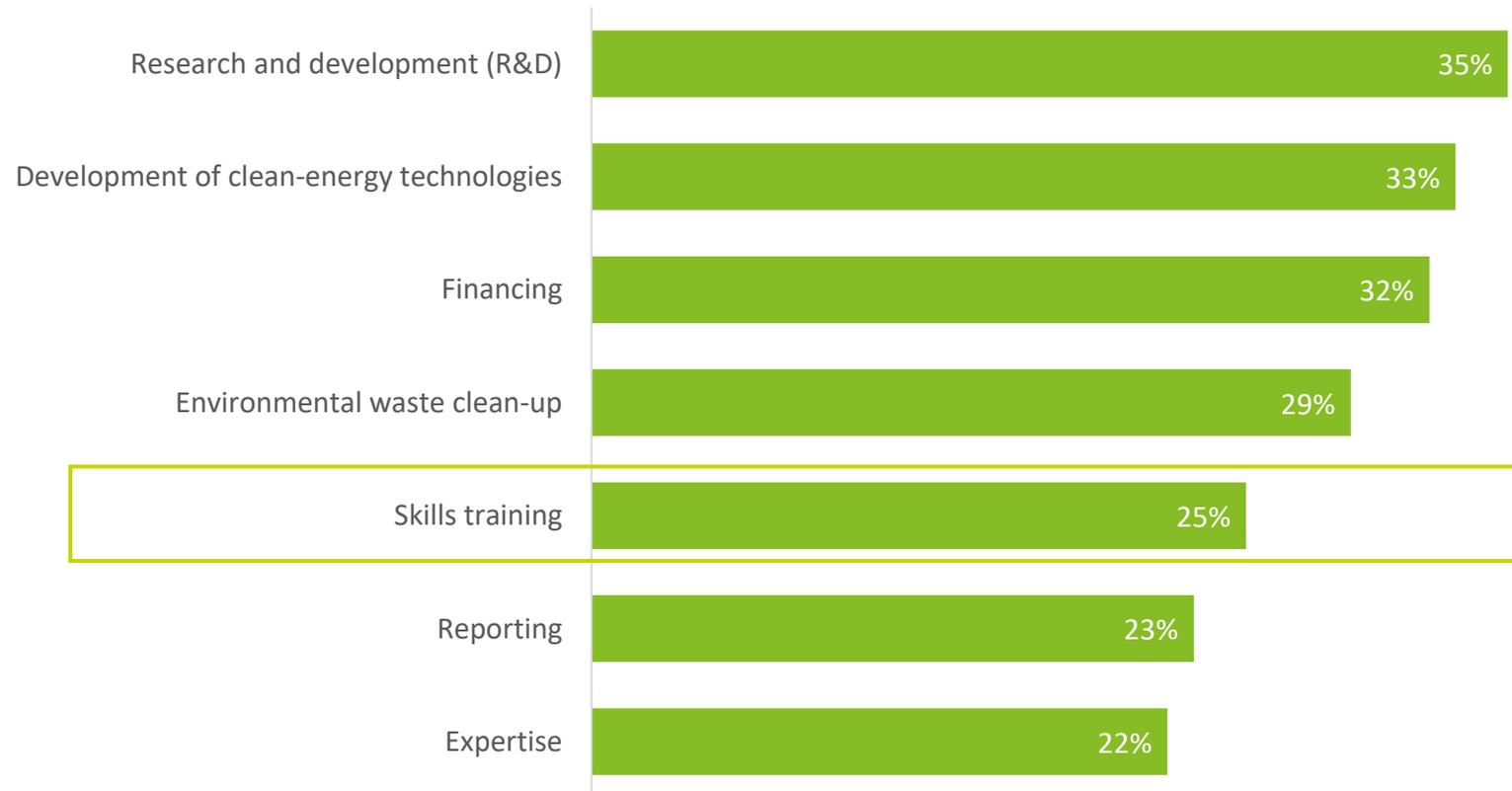
A just transition is a **low priority/ not a priority** in the following industries:



Innovation—through R&D and new tech—ranks high for how industries can help developing countries transition to a low-carbon economy

What role should your industry play in helping developing countries manage the transition to a low-carbon economy?

Select top two.



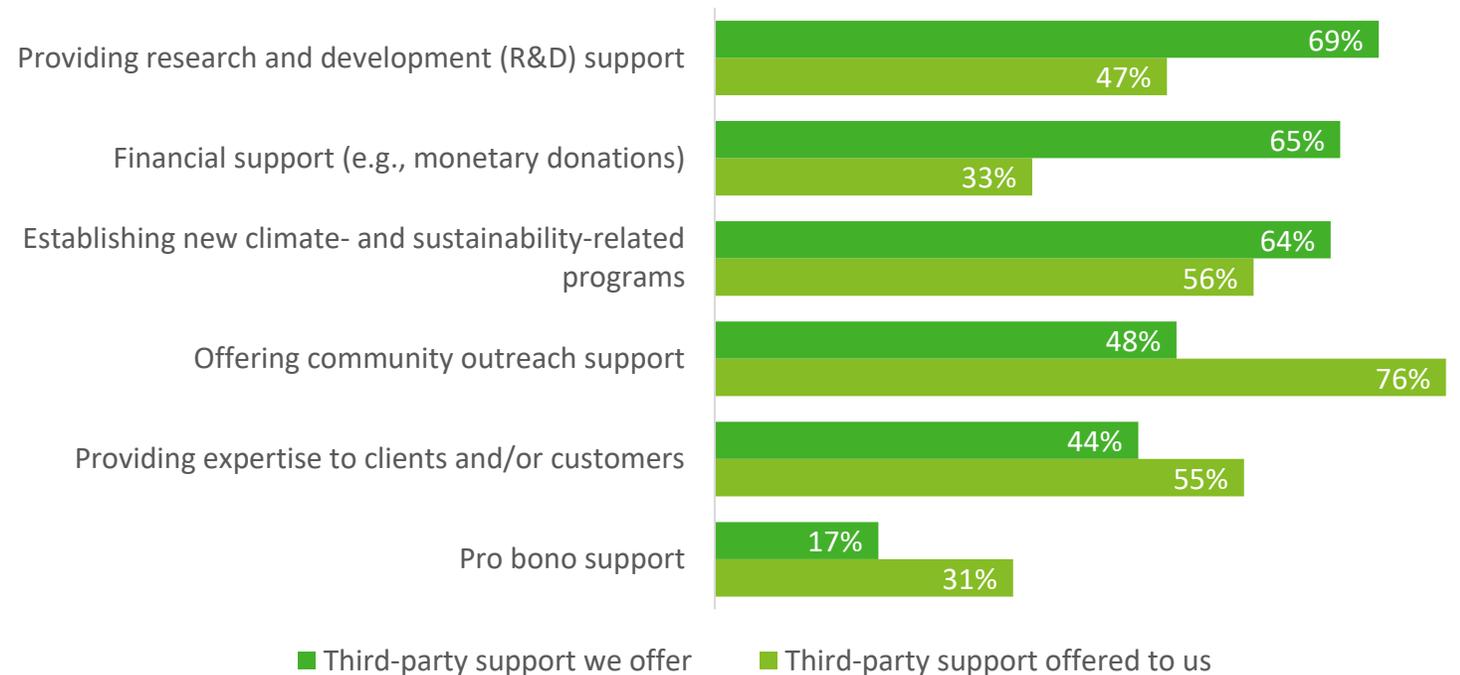
Skills training could be an area that large companies can support to **enable workers around the world to adapt to a low-carbon economy**. 38% of leaders each in the insurance industry and the public sector think this is a critical role their industries can play.

Cooperation will be key to advancing climate action in a multipolar world

Many leaders say their organizations are collaborating with third parties on climate initiatives. The most common collaborators include:
Select all that apply.

-  Non-governmental organizations **62%**
-  Academic institutions **50%**
-  Activist groups **44%**
-  Climate influencers **43%**
-  National governments **43%**
-  Multinational businesses **34%**

What is the nature of your collaboration with these third-party groups?
Select all that apply.



Methodology

The report is based on a survey of 700 executives. The survey, fielded in collaboration with Oxford Economics between August and September 2022, polled respondents from 14 countries. All major industry sectors were represented in our sample.

Industry



- Consumer products
- Energy and resources
- Banking/financial services
- Insurance
- Healthcare
- Industrial products/manufacturing
- Life sciences
- Media
- Professional services
- Public sector
- Technology
- Telecommunications
- Transportation

Global annual revenue*



- \$250M to \$499.9M
- \$500M to \$749.9M
- \$750M to \$999.9M
- \$1B to \$1.9B
- \$2B to \$4.9B
- \$5B to \$9.9B
- \$10B or more

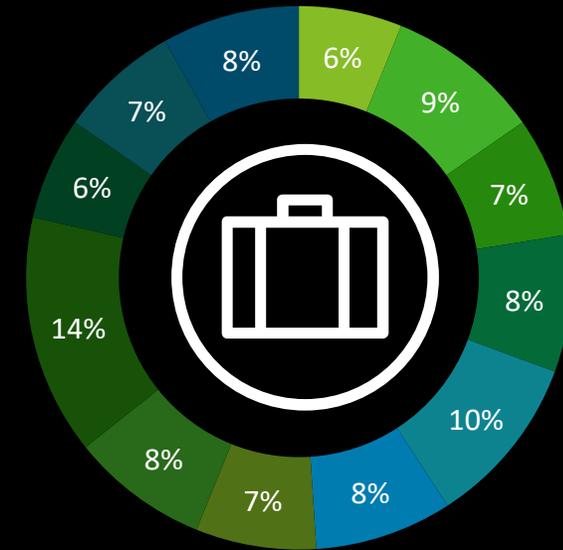
Countries surveyed

Australia, Brazil, Canada, China, Egypt, France, Germany, India, Japan, South Africa, Sweden, United Arab Emirates, United Kingdom, and United States.

*Note: Numbers in figure might not add to 100% due to rounding.

**Note: these sum to 98% because some selected EVP, SVP, and VP level (N=8, a little more than 1%)

Job title**



- Chief Executive Officer/President/Owner
- Chief Operating Officer
- Chief Financial Officer
- Chief Information Officer
- Chief Technology Officer
- Chief Marketing Officer
- Chief People Officer
- Chief Human Resources Officer
- Chief Sustainability Officer
- Chief Responsibility Officer
- Chief Diversity Officer
- Corporate Social Responsibility Officer



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