



The Climate Decade

Ten Years to Deliver the Paris Agreement

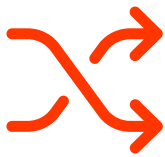


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About the GlobeScan-SustainAbility Survey

A unique, collaborative platform that uses research-driven insights from the most influential global thought leaders to explore the biggest sustainability challenges.



Cross-sector

We survey thousands of sustainable development experts and practitioners from the following sectors:

- Corporate
- Government (including multi-lateral institutions)
- NGOs
- Research/academic organizations
- Service (e.g., consultants, media)



Up-to-date

We publish two reports each year, providing a regularly updated expert perspective on a range of timely topics.

Each publication is supported by a global interactive webinar where we invite leading thinkers and practitioners to contribute.



Leadership Focus

Every year we study recognition for leadership in sustainability, quantifying the extent to which experts identify companies for integrating sustainability into their business strategy.

Introduction

We are entering the climate decade. A ten year period where our collective actions will determine the kind of world our children and grandchildren will inherit.

Since the launch of the Paris Climate Agreement in 2015, every two years we have asked global experts to assess progress towards reducing global greenhouse gas emissions. In the time since our second report was released in 2017, urgency has grown. The International Panel on Climate Change (IPCC) has declared that we have just ten years to halve emissions in order to avoid dangerous impacts from climate change, and that the threshold for dangerous warming is lower than previously predicted, at 1.5°C.

In this context, we have once again asked experienced sustainability experts representing business, government, NGOs, academia, and media to share their perspectives on the current state of climate action, including the most effective solutions and tools for accelerating and scaling impact. We received more than 554 expert responses from across 66 countries.

Experts view the next ten years as crucial for companies to make significant progress on both climate mitigation and adaptation in order to remain successful. A majority of experts state that companies need to become carbon neutral by 2030 or sooner. Just two percent of experts surveyed believe that there will be no negative financial consequences for companies that fail to act on climate change.

Experts view the next ten years as crucial for companies to make significant progress on both climate mitigation and adaptation in order to remain successful.



Experts see significant risks for companies who fail to act. These include worsening reputation amongst key stakeholders such as investors and customers, physical and financial vulnerability to climate impacts, lack of access to capital/divestment, and reduced competitiveness against peers.

This survey is a reminder that current action, while representing progress, is not enough to stave off major damage from climate change. There is still significant work to do, and we need all corporations, not just current leaders, to take immediate and rapid steps toward a low-carbon future.

Unilever is seen by experts as a clear leader on climate change, with unprompted mentions by one-quarter of respondents.

Survey Methodology

554 qualified sustainability experts completed the online questionnaire from October 31st to December 20th, 2019.

Sectors

Respondents were drawn from the following sectors:



4%
Government



16%
Academic
& Research



11%
NGO



25%
Service
& Media



38%
Corporate

Geography

Experts surveyed span 66 countries in the following regions:



6%
Africa /
Middle East



8%
Latin America



16%
Asia-
Pacific



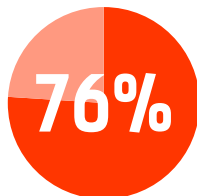
32%
North America



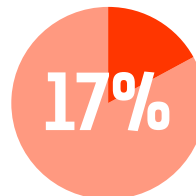
38%
Europe

Experience

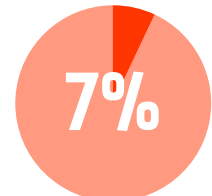
Respondents have the following experience working on sustainability issues:



More Than 10
Years



5 to 10
Years



3 to 4
Years

Key Findings

- **Only a small percentage of expert respondents believe that there is still time to avoid major, irreversible damage** to human, social, and ecosystem health if we continue on our current trajectory. A majority either believe that significant damage has already occurred, or that it is unlikely it will be avoided.
- **Experts increasingly look to both public and private leadership to achieve meaningful progress on reducing emissions in line with the Paris Climate Agreement.** National and local governments, as well as private sector companies and investors/analysts, are viewed as playing a critical role. National governments are still seen as performing the most important role, followed by companies in the private sector and investors.
- **Consumer-facing and technology companies are most recognized for their efforts around climate change.** Unilever is again chosen by experts as a clear climate leader, followed by Patagonia, Tesla, IKEA, and Alphabet/Google. Recognized leadership is mostly driven by the scale of climate action achieved, together with setting ambitious goals and providing technological solutions.
- **Experts agree that a variety of tools and strategies will need to be used to rapidly reduce emissions.** Increasing renewable energy use is considered the most crucial strategy, followed by setting science-based emissions goals in line with 1.5°C. Expert opinions on the effectiveness of different instruments and strategies have remained remarkably steady, with most continuing to prefer alternative energy use as the most effective approach. Carbon offsetting, nuclear energy, and direct air capture are perceived to be the least effective, with less than a third of experts advocating for these solutions.
- **For climate change adaptation, experts name supply chain resilience and advocating for increased government action** to increase infrastructure resilience as the most crucial actions for companies. Other key tools include comprehensive physical risk assessment considering different GHG emissions trajectories as the most critical first step.

- **Experts view the coming decade as crucial for rapid corporate action on climate change**, with a majority agreeing that companies need to become carbon neutral by 2030 or sooner. Around one in three experts say companies need to be carbon neutral no later than 2025 in order to remain competitive.
- **Experts predict significant risks for companies who fail to act on climate change**. These include a declining reputation amongst key stakeholders, such as investors and customers, physical and financial vulnerability to climate impacts, and lack of access to capital and/or divestment. Only two percent of experts predict there will be no negative financial consequences for companies that fail to act on climate.

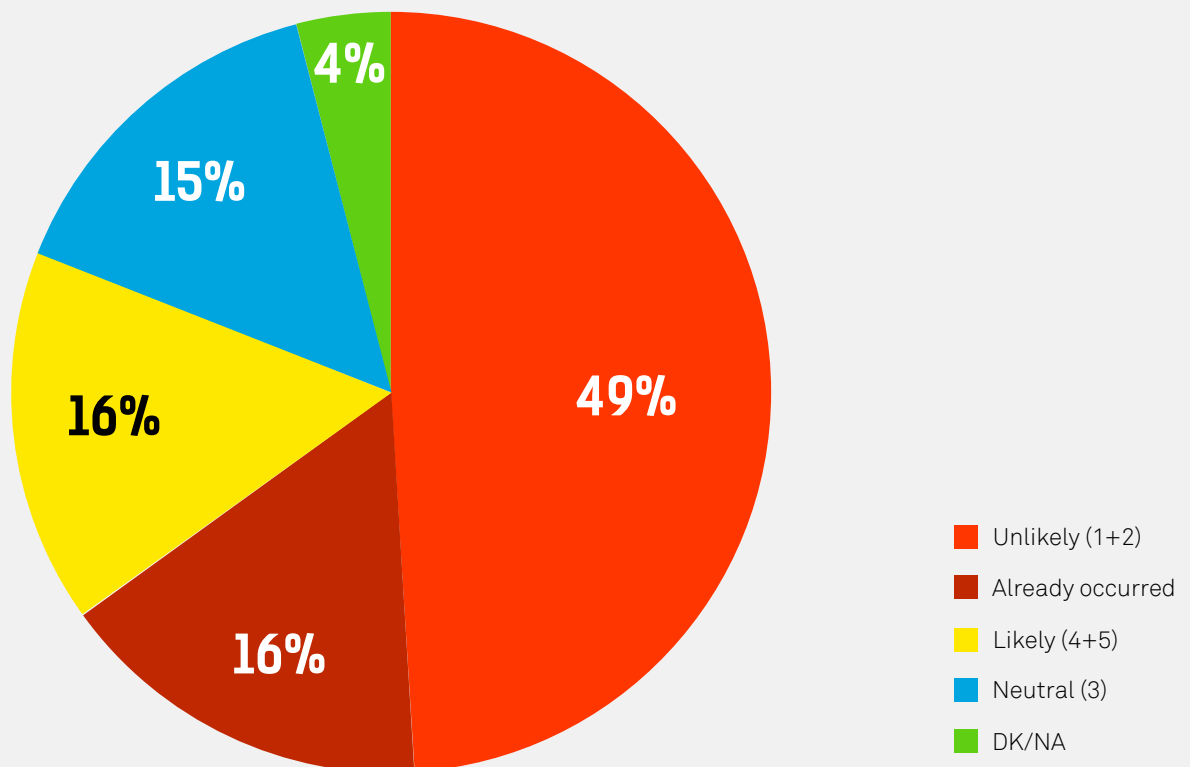
Views on Climate Progress



On a path to irreversible climate damage?

Most experts say it is either unlikely that we will avert major damage from climate change or that major damage to human, social, and ecosystem health has already occurred. Only a relatively small proportion of sustainability experts say that they believe it is likely that we will act fast enough to avoid irreversible climate impacts.

% of Experts, 2019



Question

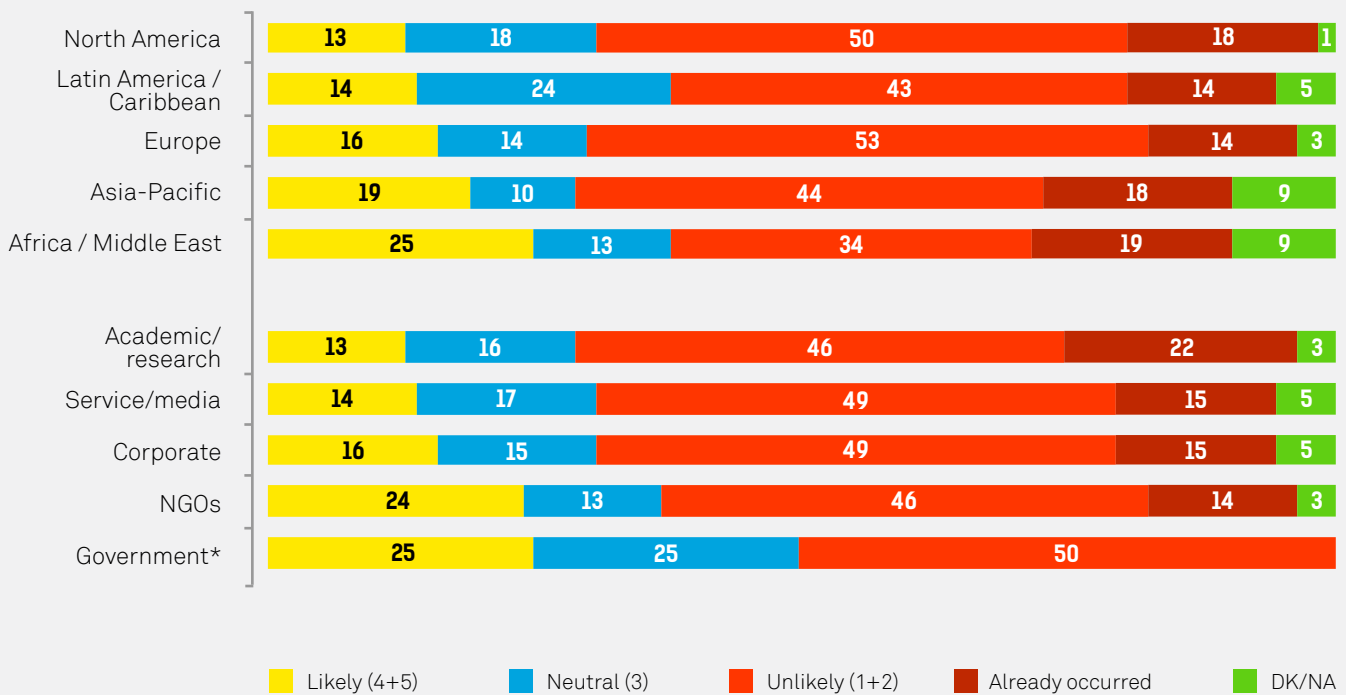
Rate the likelihood that progress toward addressing climate change will occur fast enough to avert major, irreversible damage to human, social, and ecosystem health.

Please use the 5-point scale (1 is "Very unlikely" and 5 is "Very likely" or choose "Already occurred.")

North American and European experts more pessimistic

European and North American respondents are more likely to say that it is unlikely that we will act fast enough to avoid irreversible damage. Experts in emerging market regions tend to be slightly less pessimistic. Sustainability experts from the academic and research sector are the most likely to believe that major damage has already occurred.

% of Experts, by Sector and Region, 2019



Question

Rate the likelihood that progress toward addressing climate change will occur fast enough to avert major, irreversible damage to human, social, and ecosystem health.

Please use the 5-point scale (1 is “Very unlikely” and 5 is “Very likely” or choose “Already occurred.”)

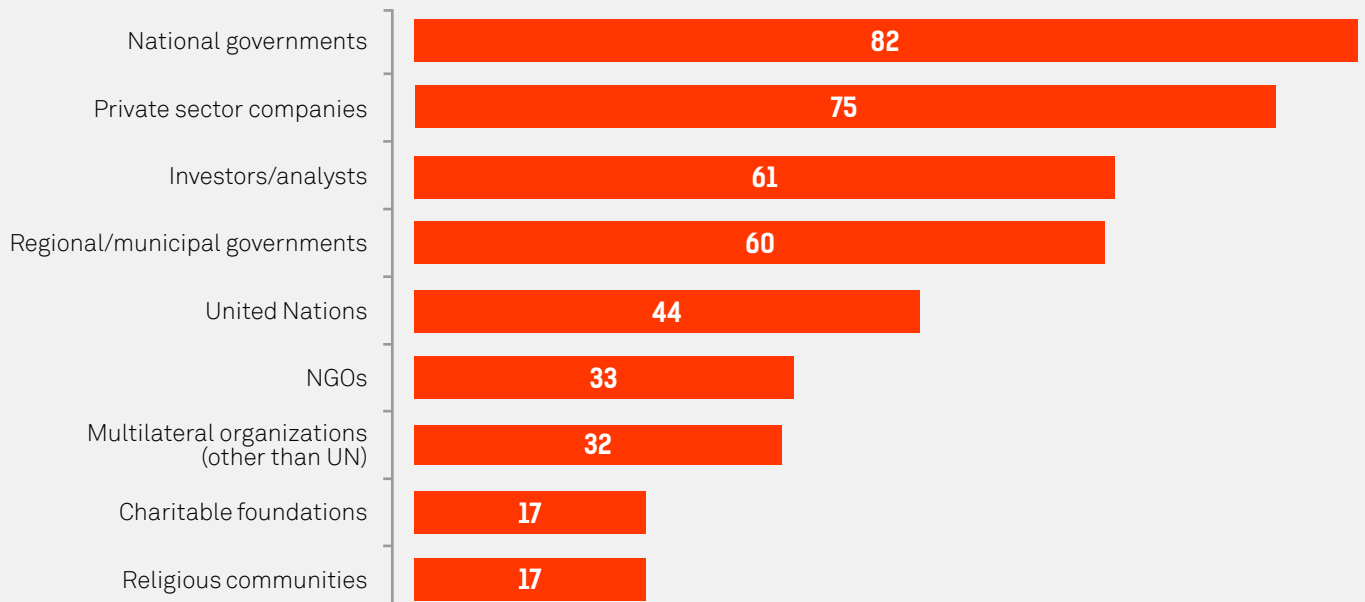
Advancing Paris Agreement Goals



Governments, private sector, and investors are key to faster progress

Experts increasingly look to both public and private leadership to achieve rapid, meaningful progress on emissions reductions. More than eight in ten sustainability professionals say that government actors at the national level play a “very important” role, while three-quarters say the same about private sector companies. Regional and municipal governments, together with investors and analysts, are also seen as crucial to advancing progress — with a majority of experts saying they are “very important.”

% of Experts, Very Important (5), 2019



Question

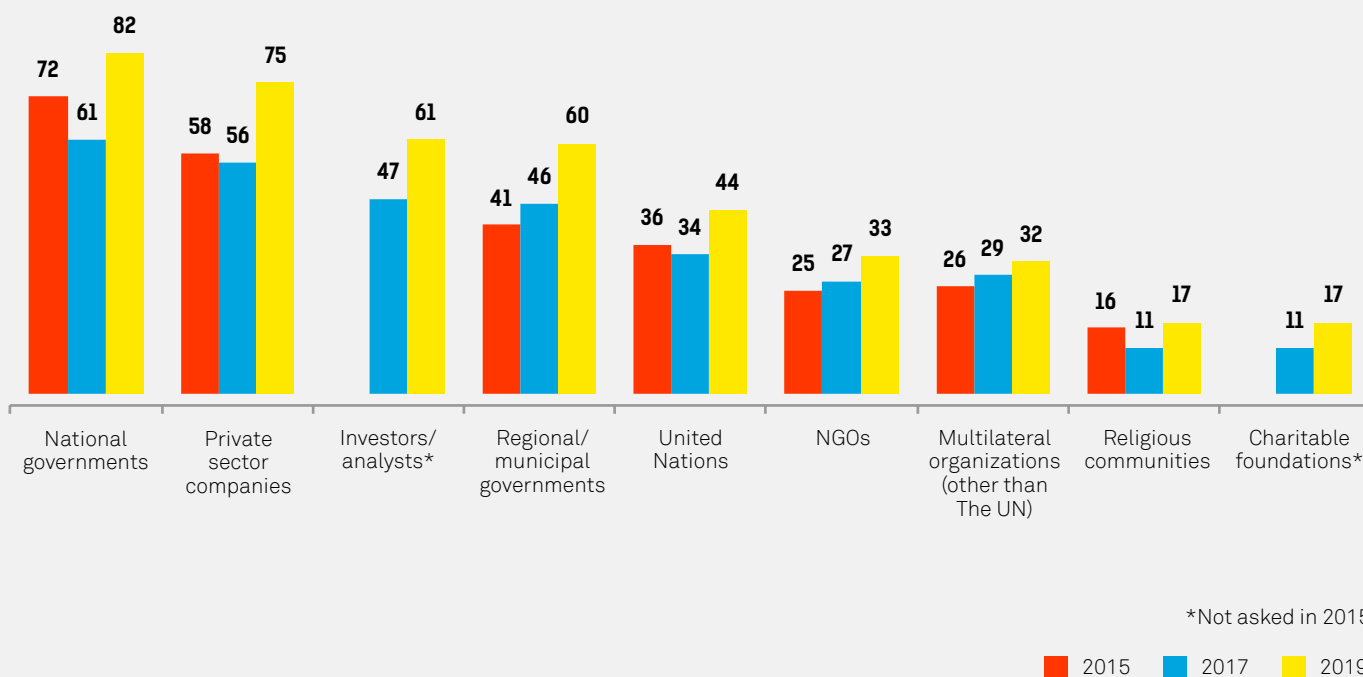
How important will the role of each of the following types of organizations be to making progress toward the goals of the Paris Agreement?

Please use the 5-point scale provided (where 1 is “Not important at all” and 5 is “Very important”).

Government, business, and investor action increasingly important

Expectations are higher for all organizations to increase their efforts in delivering the Paris Agreement goals than they were in 2017. However, national and local governments, as well as private sector companies and investors/analysts, are viewed as playing an increasingly critical role.

% of Experts, Very Important (5), 2019



Question

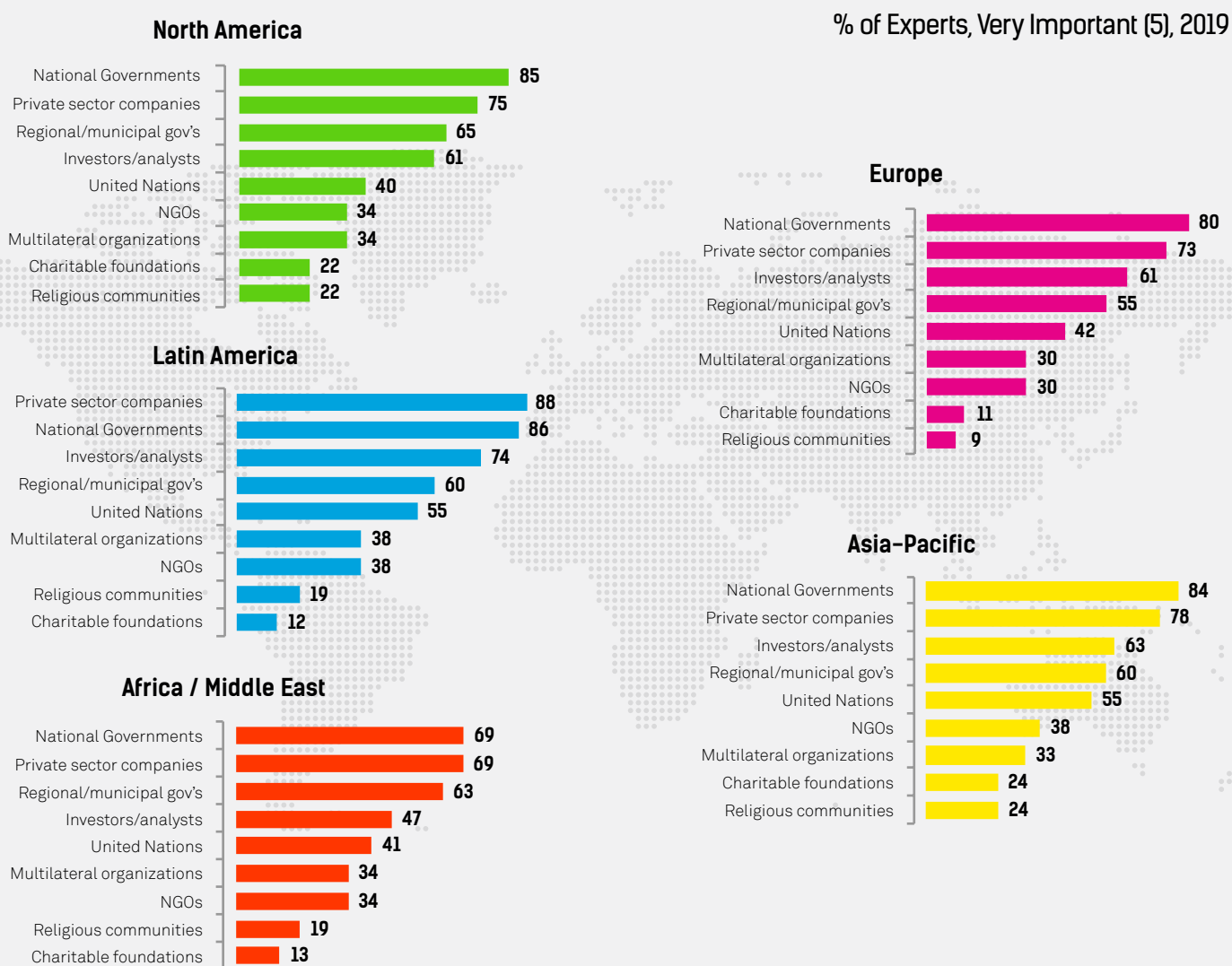
How important will the role of each of the following types of organizations be to making progress toward the goals of the Paris Agreement?

Please use the 5-point scale provided (where 1 is “Not important at all” and 5 is “Very important”).

***Question in 2015:** Assuming an agreement is reached at COP 21, how important will the role of each of the following organizations be to the effective implementation of the post-Paris climate change framework?

Government and business action seen as key to progress globally

National governments and the private sector are both considered crucial for making progress on climate change by experts in all regions, although those based in Latin America and Africa / Middle East tend to see private sector companies as equally essential to progress. The United Nations is perceived to play a more important role by experts based in Asia-Pacific and Latin America.



Question

How important will the role of each of the following types of organizations be to making progress toward the goals of the Paris Agreement?

Please use the 5-point scale provided (where 1 is "Not important at all" and 5 is "Very important").

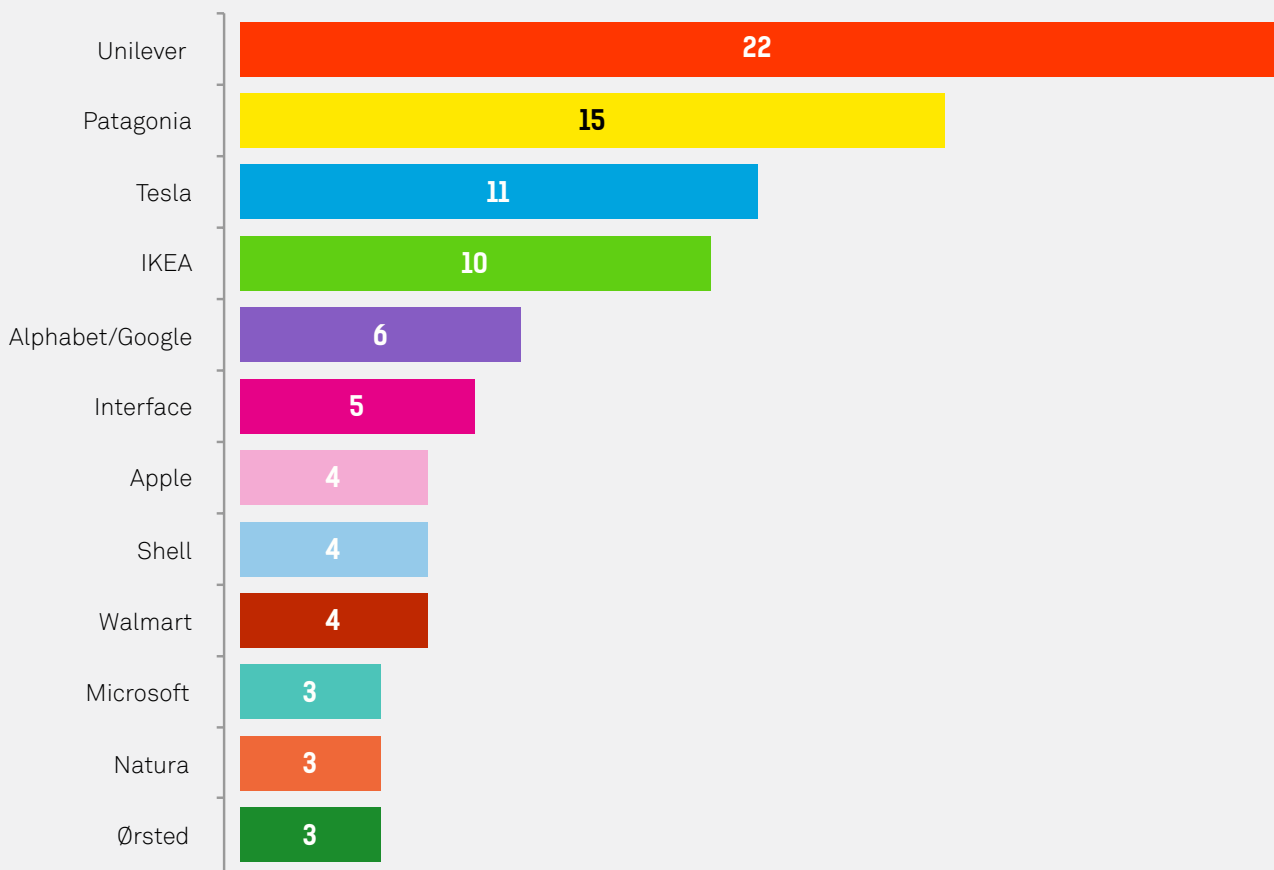
Corporate Climate Leadership



Unilever, Patagonia, Tesla and IKEA seen as top climate leaders

Unilever is seen by experts as a clear leader on climate change, with unprompted mentions by almost one-quarter of sustainability professionals. Patagonia, Tesla, and IKEA are each mentioned as leaders on climate change by at least one in ten experts, rounding out the top tier of the most recognized companies. Consumer-facing companies and technology companies continue to be the type of companies most recognized for their efforts around climate change.

% of Experts, Total Mentions, Unprompted, 2019



Question

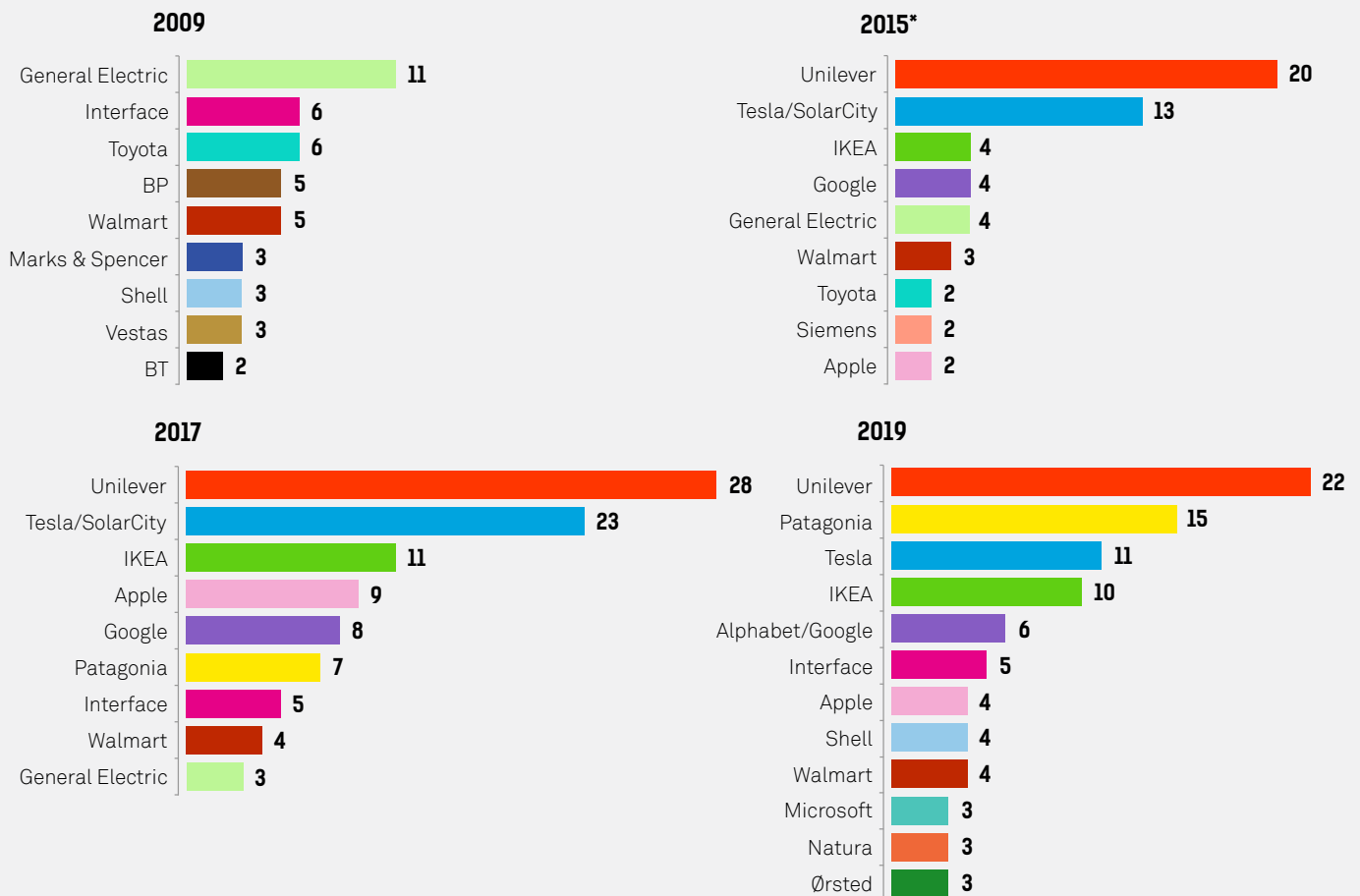
Which companies do you think are leaders in addressing climate change?

Please enter a maximum of 3 companies in the spaces provided.

Unilever maintains its top position – but by a smaller margin

Patagonia has become increasingly recognized by experts for its leadership on climate, after entering in the top ten most recognized companies in 2017. While remaining one of the most recognized corporate leaders on climate change, a smaller proportion of sustainability professionals now mentions Tesla. Most of the companies in the top ten list of most recognized corporate climate leaders retain similar levels of recognition as they did two years ago, with Shell and Ørsted being two new additions to the group — Shell returns this year after last being included in 2009. Walmart is the only company to have remained in the top ten over the last decade.

% of Experts, Total Mentions, Unprompted, 2009–2019



Question

Which companies do you think are leaders in addressing climate change?

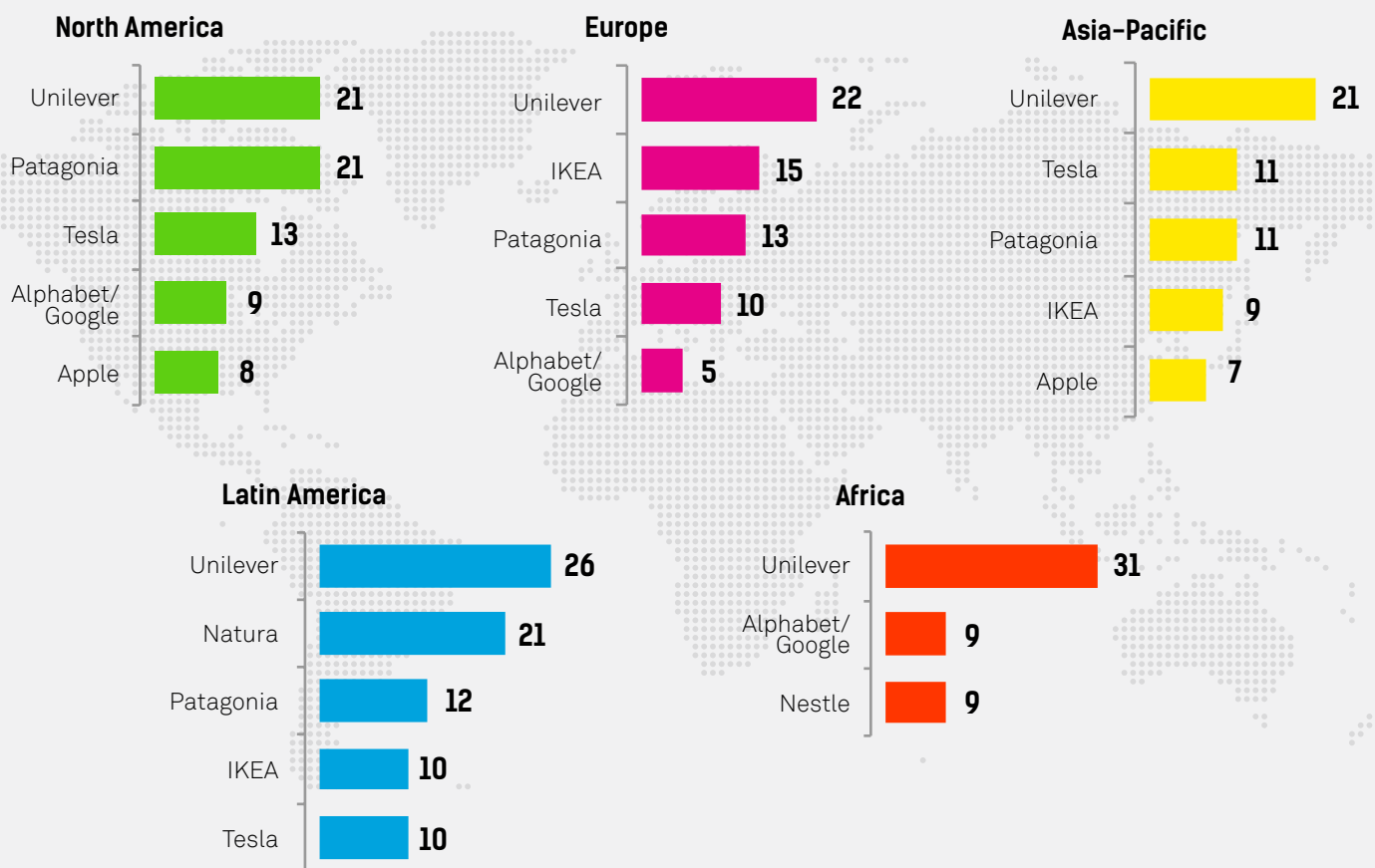
Please enter a maximum of 3 companies in the spaces provided.

***Question in 2015:** Please name up to two companies that you think have made the biggest contribution to advancing solutions to climate change in the past five years.

Unilever seen as number one climate leader in all regions

Unilever is recognized as a climate leader by experts in all regions, while recognition of Patagonia's efforts is stronger among North American sustainability professionals. IKEA is instead mostly mentioned by European experts, with a weaker profile elsewhere. Natura emerges as a prominent local presence around climate change action in Latin America.

% of Experts, Total Mentions, Unprompted, by Region, 2019



Question

Which companies do you think are leaders in addressing climate change?

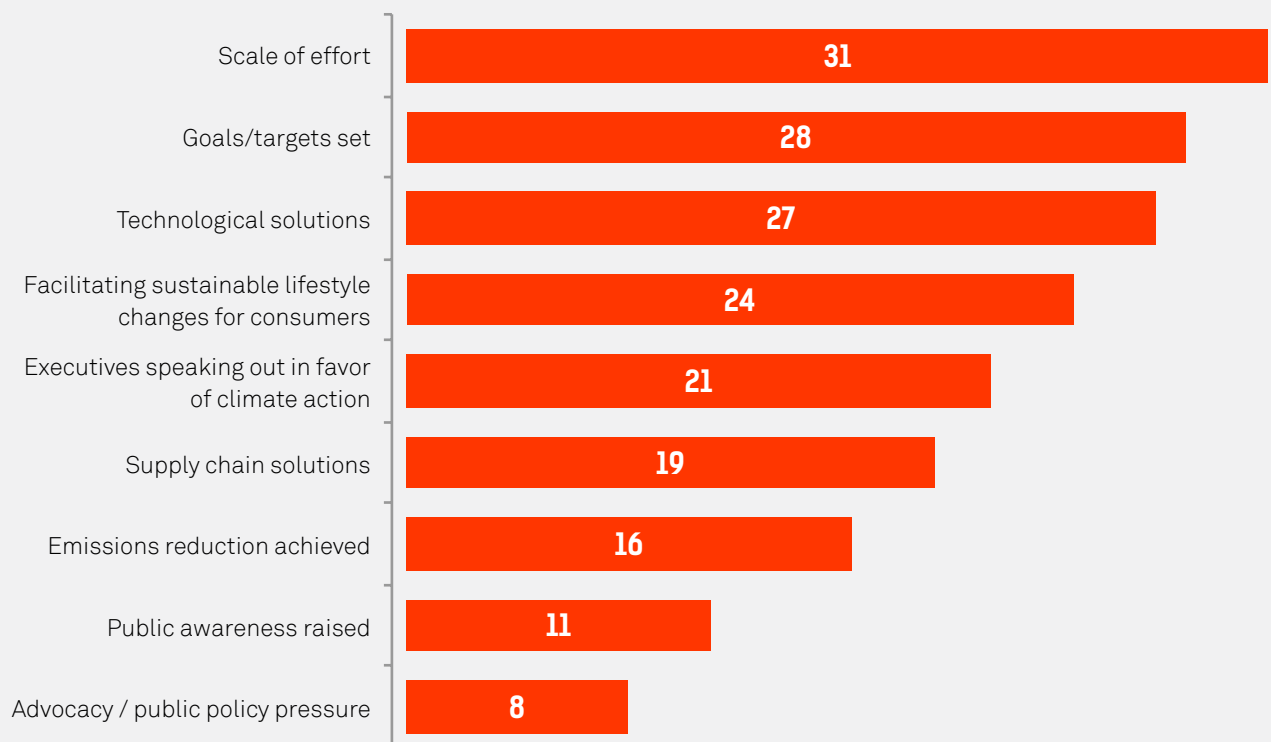
Please enter a maximum of 3 companies in the spaces provided.

Leadership recognition driven by scale of climate action

Experts view scale of action as the most important factor influencing their selection of corporate climate leaders. Other crucial elements include setting ambitious goals and targets, developing technological solutions, and supporting consumers to make sustainable lifestyle choices.

Engaging in advocacy and pressuring for public policy or raising public awareness are slightly less prominent reasons for recognizing leadership. Executives speaking out in favor of climate change action is selected as a driver of leadership by a larger proportion of experts, suggesting that this is seen as a more effective strategy.

% of Experts, Total Mentions, Prompted, 2019



Question

Why do you think [INSERT COMPANY #1] is a leader in addressing climate change?
Please pick the two most important reasons from the list below.

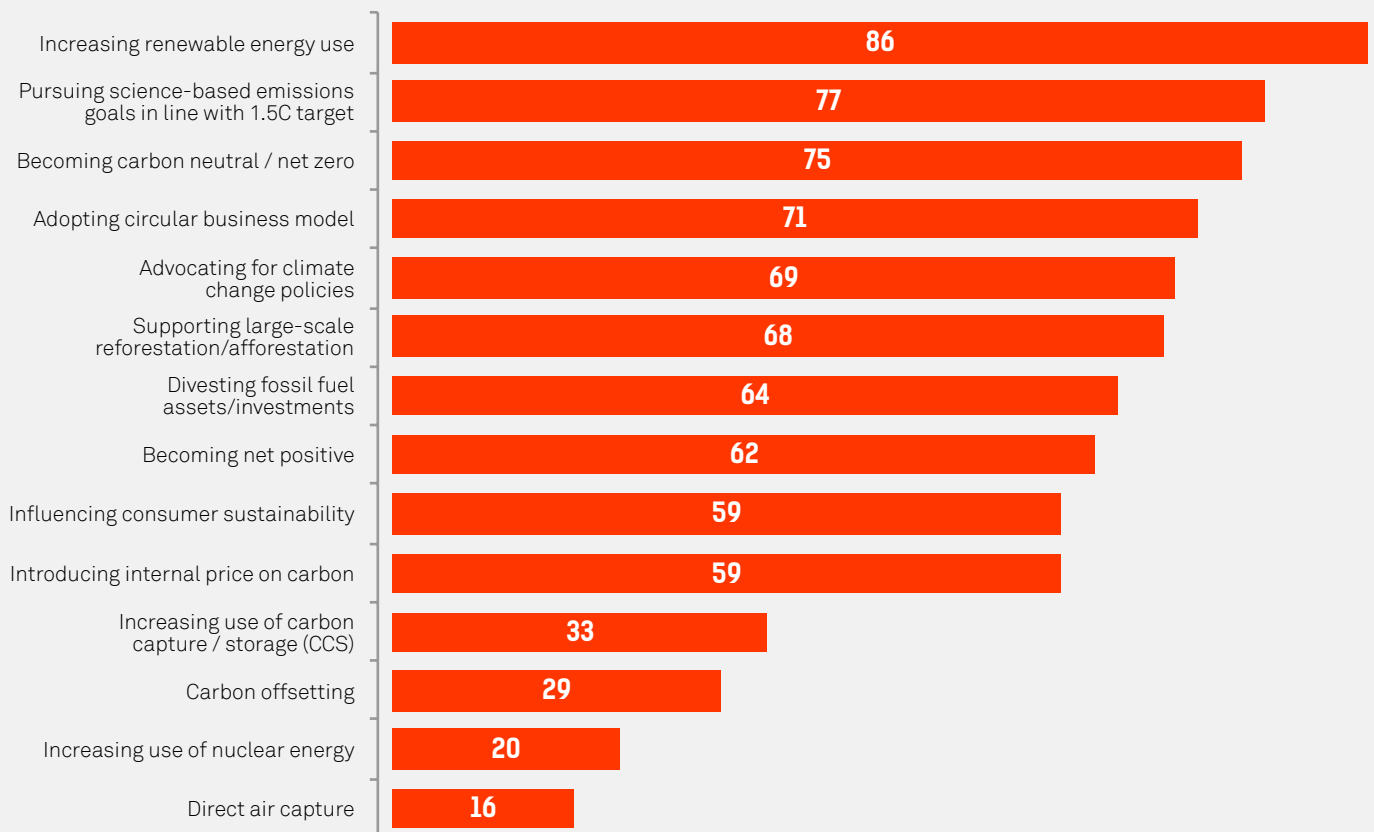
Corporate Strategies for Climate Solutions



Variety of climate strategies seen as complementary and effective

Experts agree that a variety of tools and strategies will need to be used to rapidly reduce emissions including increasing renewable energy use, setting science-based climate targets, adopting circular economy principles, and advocating for greater government regulation and action. Carbon offsetting, nuclear energy, and direct air capture are perceived to be effective by less than a third of experts.

% of Experts, Effective (4+5), 2019



Question

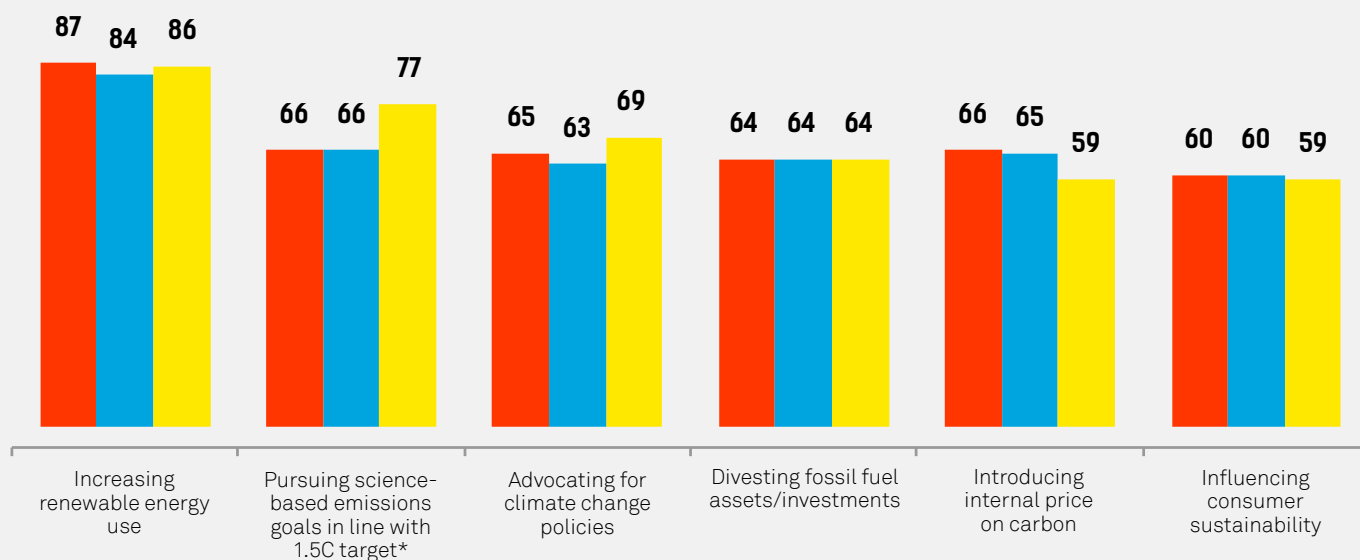
How effective or ineffective do you think each of the following instruments and strategies are for companies trying to take action on climate change?

Please use the 5-point scale provided where 1 is “Not effective at all” and 5 is “Very effective.” Please select one response per item or skip the item if you have no answer.

Pursuing science-based targets seen as increasingly effective

Opinions on the effectiveness of different instruments and strategies for companies trying to act on climate change have remained remarkably steady, with most continuing to prefer investing in supply chain resilience as the most effective approach. However, experts increasingly say that pursuing science-based emissions goals which align with 1.5°C is an effective strategy, emphasizing the growing urgency of acting quickly on science-based recommendations to avert the worst effects of a changing climate.

% of Experts, Effective (4+5), 2015–2019



*Wording has changed since 2015 (previously 2C target)

2015 2017 2019

Question

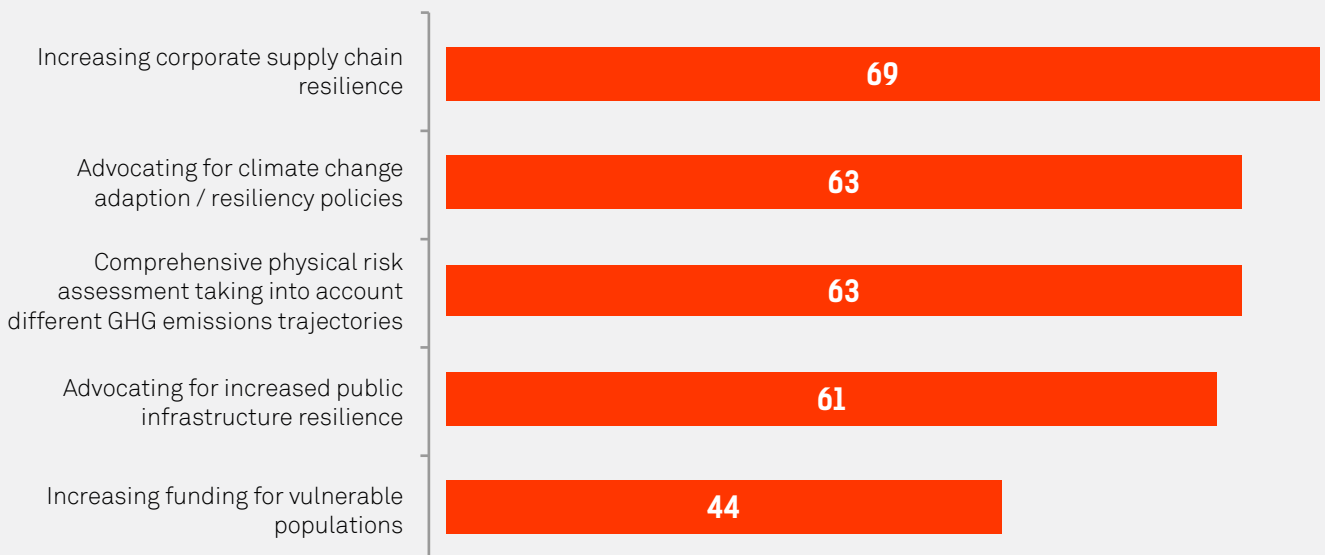
How effective or ineffective do you think each of the following instruments and strategies are for companies trying to take action on climate change?

Please use the 5-point scale provided where 1 is “Not effective at all” and 5 is “Very effective.” Please select one response per item or skip the item if you have no answer.

Supply chain resilience seen as most critical adaptation strategy

When asked about the effectiveness of a range of instruments and strategies for companies trying to take action on climate change adaptation specifically, experts view supply chain resilience as the most effective. Comprehensive physical risk assessments that consider different GHG emissions pathways, and advocating for government action on adaptation, are also largely seen as effective approaches for companies seeking to address risks and resilience. Other important strategies include advocating for government action on adaptation.

% of Experts, Effective (4+5), 2019



Question

How effective or ineffective do you think each of the following instruments and strategies are for companies trying to take action on climate change?

Please use the 5-point scale provided where 1 is "Not effective at all" and 5 is "Very effective."

Please select one response per item or skip the item if you have no answer.

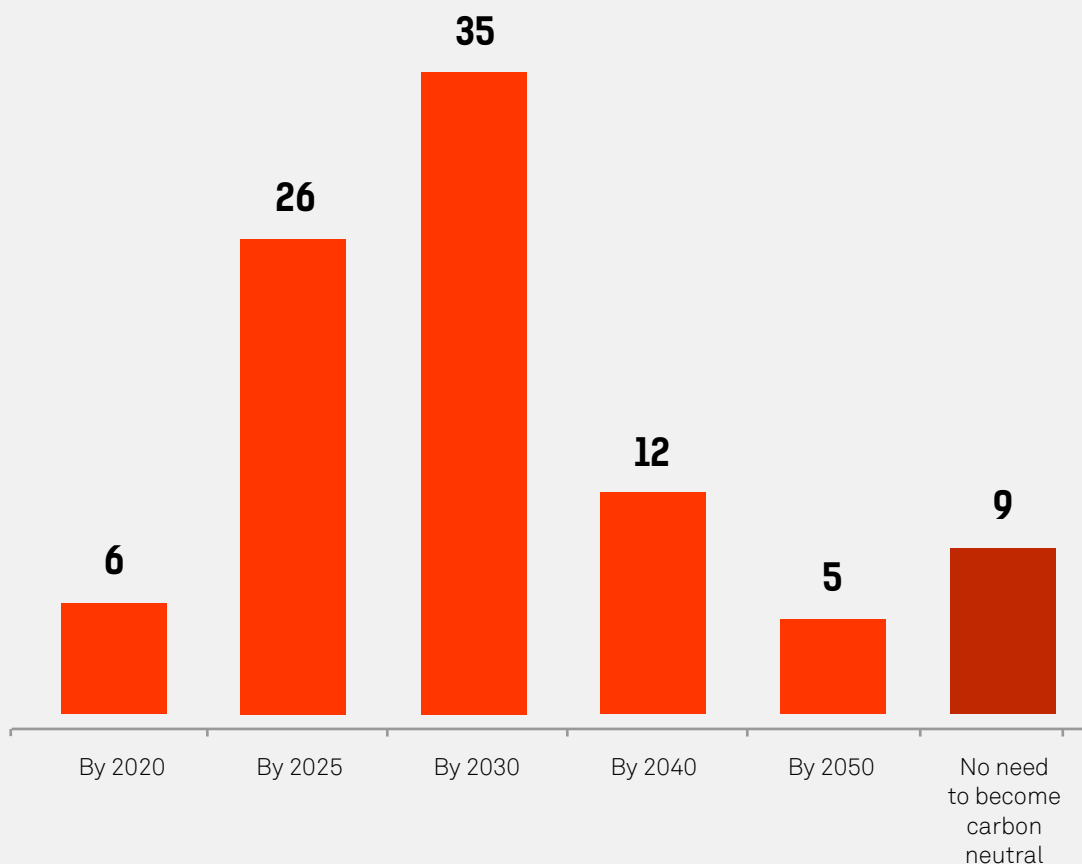
Consequences for Corporate Inaction



Companies need to be carbon neutral by 2030 or sooner

Experts view the next ten years as critical to progress on emissions reductions, with more than six in ten agreeing that companies need to become carbon neutral between now and 2030. One in three say companies need to be carbon neutral no later than 2025.

% of Experts, Prompted, 2019



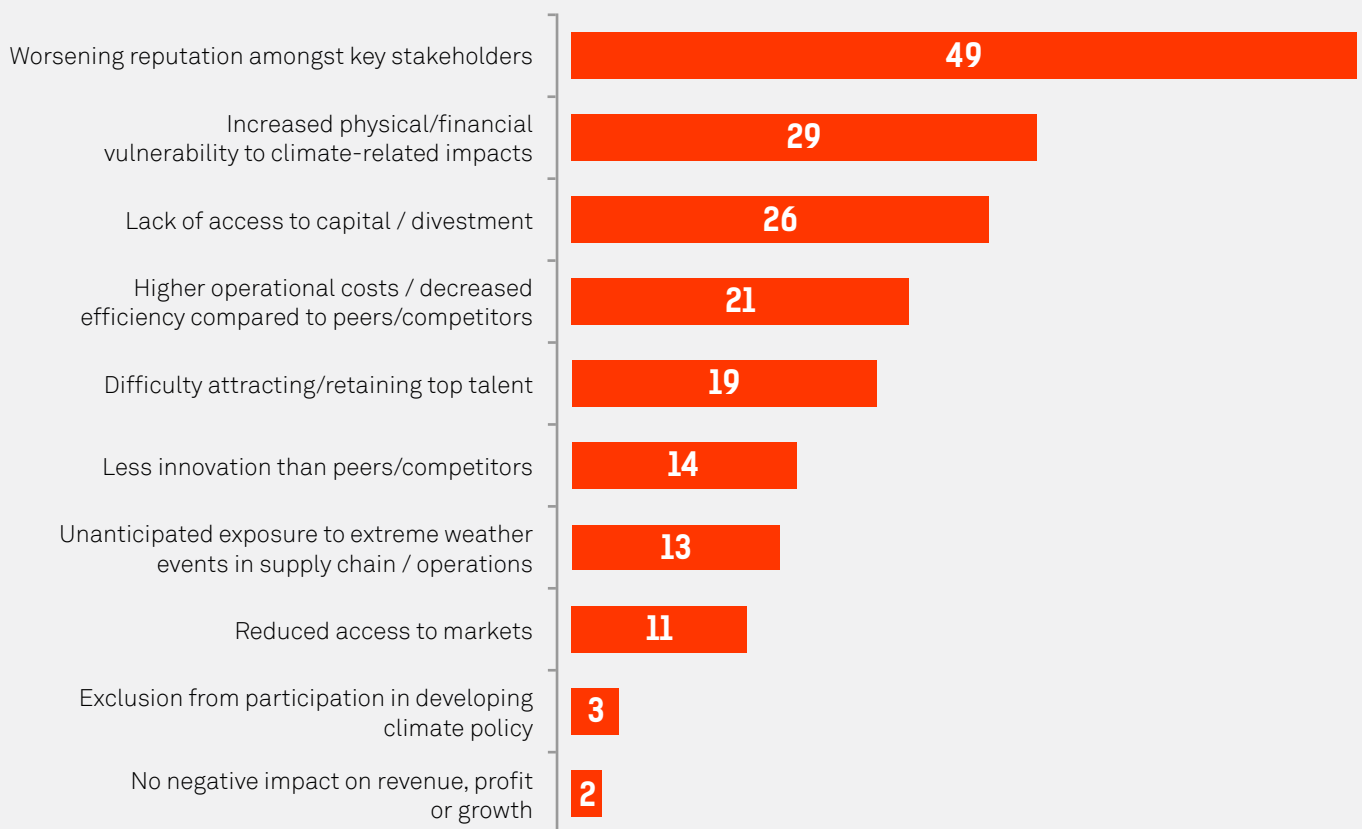
Question

By what date do you think companies need to become carbon neutral (including through verifiable offsets) to remain competitive businesses? *Please pick one.*

Consequences of NOT addressing climate change seen as severe

As a direct result of companies not adequately addressing climate change, experts anticipate worsening reputation among key stakeholders as having the most negative impact on revenue, profits and long-term growth. This view is shared by business experts as well as experts in other sectors. Other key consequences with a negative impact include increased physical and financial vulnerability to climate related impacts, as well as a lack of access to capital and divestment.

% of Experts, Prompted, Total Mentions, 2019



Question

For large companies that are NOT adequately addressing climate change, which two of the following will have the largest negative impact on their revenue, profits and long-term growth?

Please pick the two most important consequences from the list below in order of their importance.

Further Information

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