



2022 Deloitte CxO Sustainability Report

The disconnect between ambition and impact | Switzerland

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 Switzerland'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.

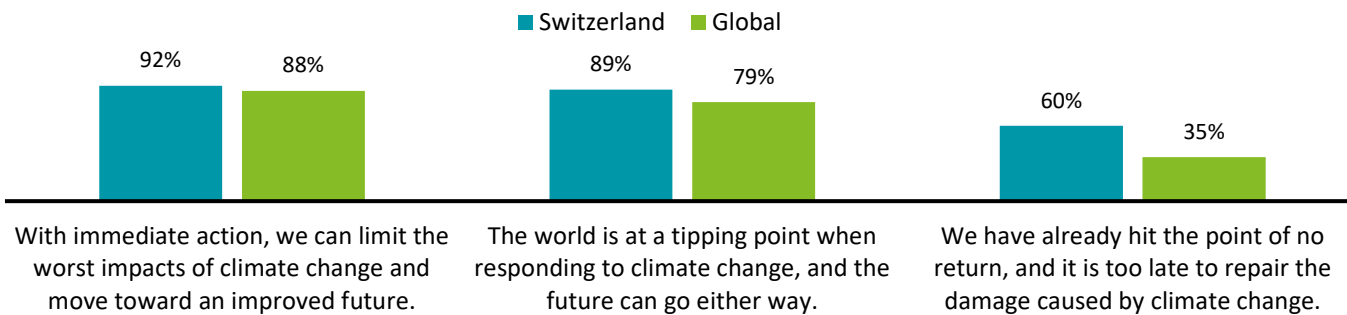
Our report further explores the disconnect between ambition and action, as well as steps CxOs can take to start to bridge the gap.

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

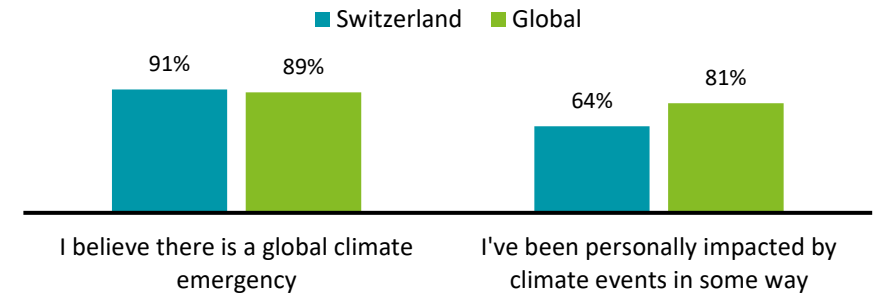
- 89% of Swiss executives today see the world at a tipping point for responding to climate change (10% higher than the global average). Although they indicate they are optimistic about the future with 92% agreeing that with immediate action, we can limit the worst impacts of climate change, Switzerland has almost twice as many CxOs as the global average that believe we have already hit the point of no return.
- Compared to global CxOs, Swiss CxOs are significantly 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 more frequent and powerful storms as their top impacts.



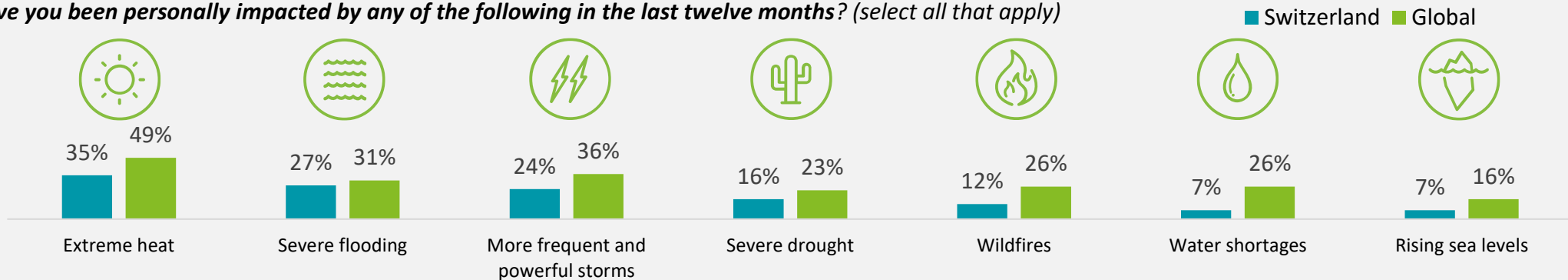
To what extent do you agree or disagree with the following statements related to the environment?



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)

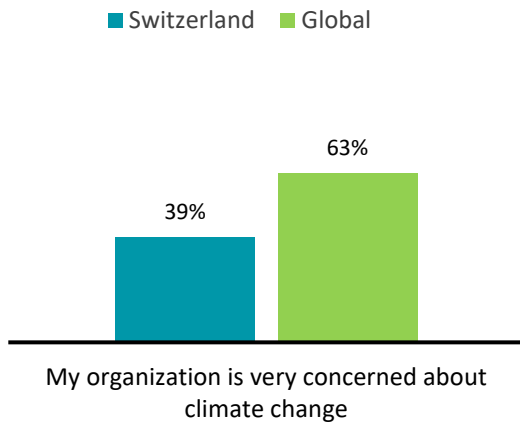


Respondents express concern and say their companies have been affected by climate change

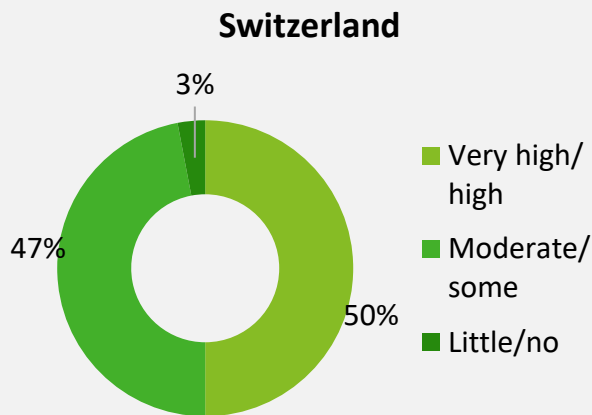
- Swiss CxOs say their companies are significantly less concerned about climate change than the global average, placing them in the bottom three among polled countries in the level of concern about climate change. Despite this, the majority of Swiss CxOs indicate their companies are focused on incorporating climate into their strategies and operations over the next three years.
- Swiss companies are slightly more likely than global companies to feel the cost of mitigation, pressure from society, and need to modify industrial processes as top climate change challenges.



How concerned is your organization about climate change?

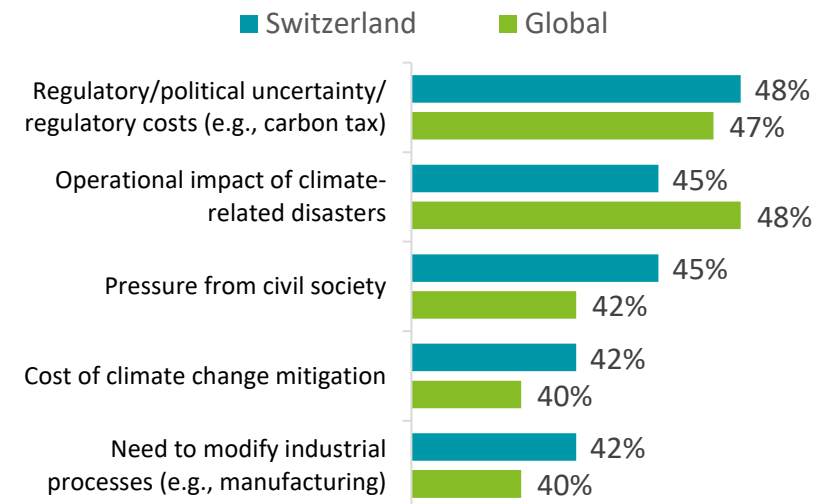


To what degree do you expect climate change to impact your company's strategy and operations over the next three years?



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

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



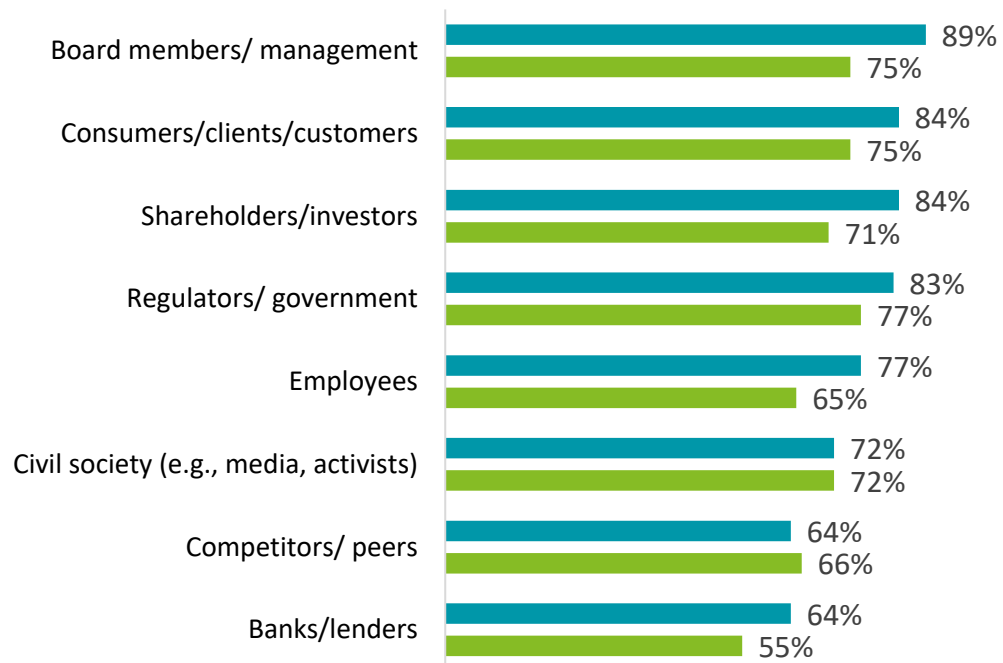
Stakeholders are pressuring companies to act; CxOs believe government also shares responsibility

- Compared to global, Swiss companies are feeling more pressure to act on climate from almost all of their stakeholders, citing board members/management, consumers/clients, and shareholders as their top forces of pressure.
- They also are more likely to think their country's national government is doing a good job mitigating the impacts of climate change compared to the global average, placing them in the top three among polled countries.



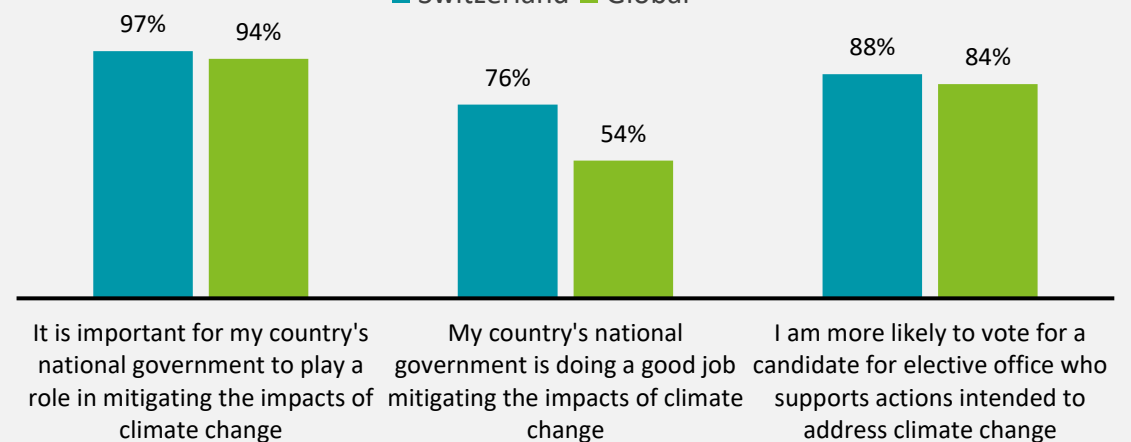
To what extent does your company feel pressure (to a large/moderate extent) to act on climate change from your stakeholders? (select all that apply)

■ Switzerland ■ Global



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

■ Switzerland ■ Global



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

- In many cases, Swiss companies are undertaking climate actions at similar rates to the global average, including the tougher actions defined by Deloitte's analysis.
- In some cases including updating/relocating facilities to make them more resistant to climate impacts and tying senior leader compensation to sustainability performance, the Swiss companies are behind the global average by 8% or more.

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

68%

Increasing the efficiency of energy use
Global = 66%

67%

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

60%

Use energy-efficient or climate-friendly machinery, technologies and equipment
Global = 57%

57%

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

55%

Training employees on climate actions and impact
Global = 57%



HARDER TO IMPLEMENT, NEEDLE-MOVING ACTIONS*

44%

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

47%

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

36%

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

43%

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

23%

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

*As defined by Deloitte's analysis

Benefits of climate strategy and obstacles that impede impact

- Swiss CxOs listed brand recognition and reputation, customer satisfaction, and employee morale as the top-three benefits of their climate efforts. The bottom three included financial aspects (revenue from longstanding businesses, cost of investment) and impact on supply chain efficiency/resiliency.
- Swiss CxOs were less likely to cite costliness as a challenge to driving sustainability efforts, but more likely to be concerned about focus on near-term business issues and lack of buy-in from line managers.



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

60%

Brand recognition and reputation
Global = 49%

52%

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

51%

Employee morale and well-being
Global = 42%

48%

Employee recruitment and retention
Global = 35%

44%

Addressing climate change
Global = 43%

▼ BOTTOM FIVE

35%

Revenue from new business
Global = 32%

35%

Asset Values
Global = 31%

33%

Supply chain efficiency/resiliency
Global = 33%

32%

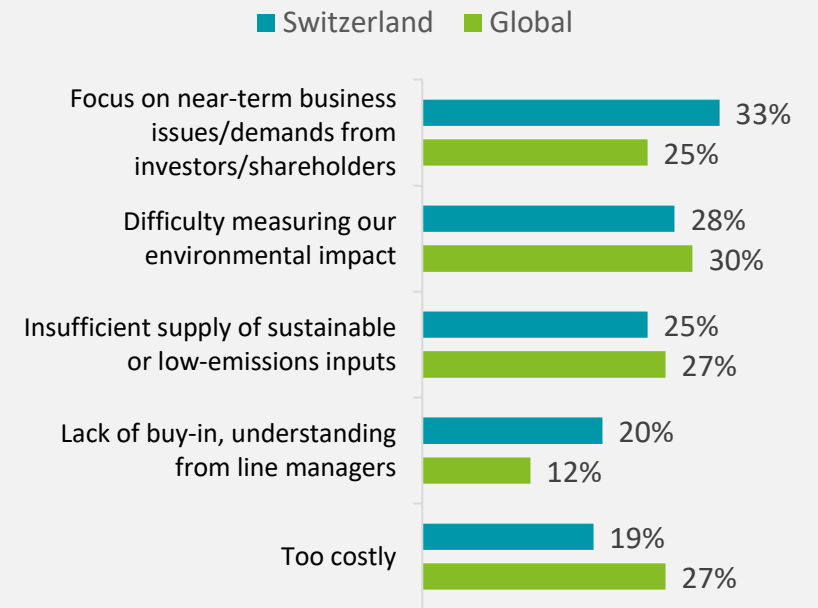
Cost of investment
Global = 30%

29%

Revenue from longstanding businesses
Global = 28%



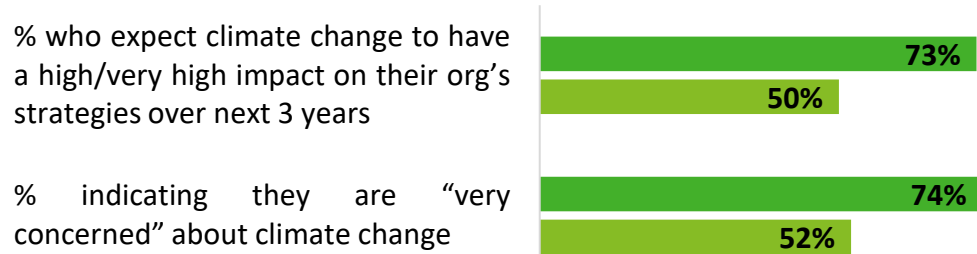
Top five obstacles to driving sustainability efforts (Select top 2)



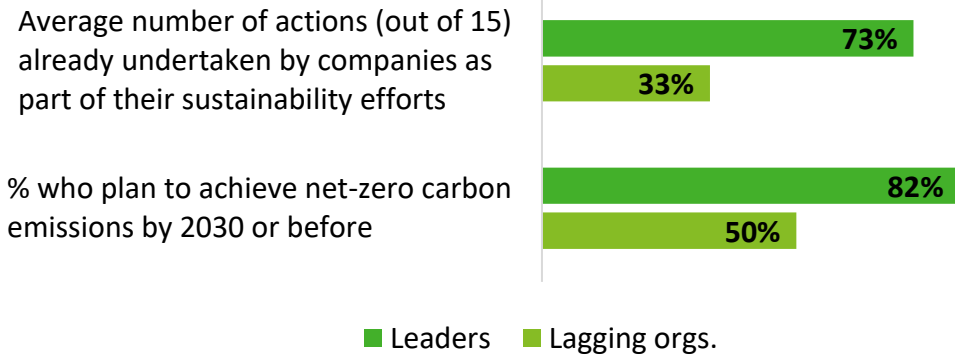
Actions and characteristics that set climate leaders apart

- 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 Switzerland, 7% of respondents are climate leaders.
- On the other hand, those organizations who had only implemented one or zero of these leadership actions—35% of the global and 35% of Swiss 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*

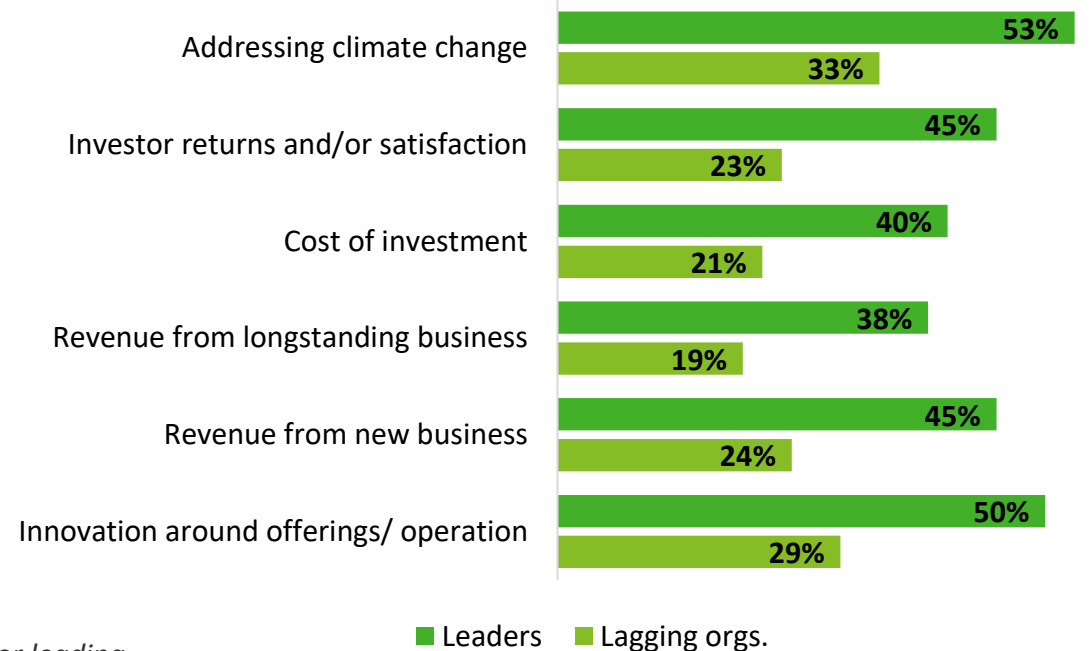


Leaders are more active*



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.

Switzerland country profile

- We surveyed **75 executives** in Switzerland.

SWITZERLAND BUSINESS PROFILE:

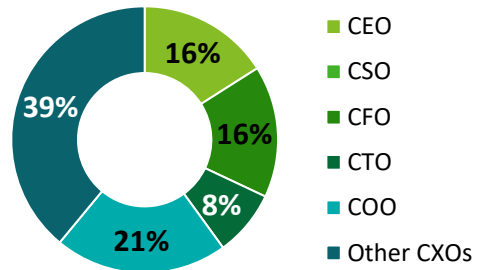


Number of Employees

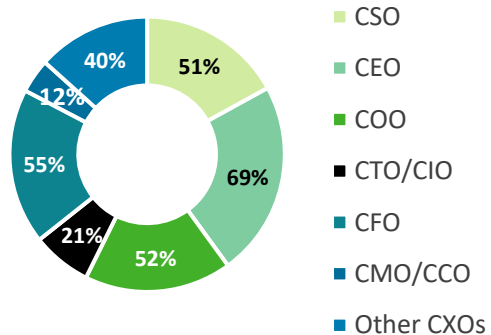
- <5K: **27%**
- 5K to 9,999: **20%**
- 10K to 19,999: **25%**
- 20K to 49,999: **19%**
- >50K: **9%**



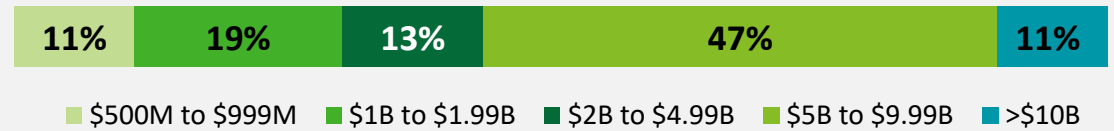
Job Title



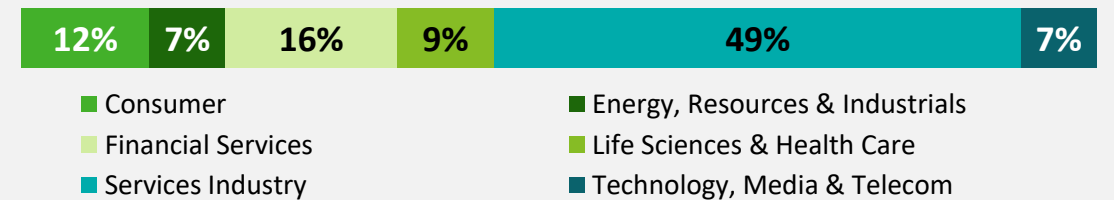
Position(s) at your company responsible for climate goals



Revenue (USD)



Industry





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