



CLIMATE CHANGE & CORPORATE SUSTAINABILITY

Evolution and Directions

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State of Climate Action in Corporations

- Conventional Wisdom #1

- *Corporations are basically greenwashing*
- *Corporations are making meaningful change*
- *Both are true*

- Conventional Wisdom #2

- *Corporations are moving quickly to act on climate*
- *Corporations are not doing enough*
- *Both are also true*



<i>Scope</i>	Operations	Value Chain	Beyond Their Walls
<i>Ambition</i>	What they <i>can</i> do	What they <i>could</i> do (maybe)	What Society <i>must</i> do
<i>Risk Context</i>	Familiar Short Term	Scenario Fixed Timeframes	Unknown Long Term
<i>Focus</i>	Energy	+Physical Impacts	+Social Justice
<i>Strategic Approach</i>	Goal setting Ratings	Materiality Stakeholder Engagement	Theory of Change



<i>Purpose</i>	Saving \$\$	Risk Mitigation	Global Need
<i>Drivers</i>	NGOs SRIs	Customers Mainstream Investors	Employees, Community, Partners
<i>Reporting</i>	GRI, CDP	10K	TCFD Integrated Reports
<i>Goals</i>	Intensity ~2020	Absolute ~2050	Science-based ~2030
<i>Process</i>	Operational Efficiency	Investment Product Design	Business Practice Policy Advocacy

Current state

- Not all corporations are in the same place, nor evolving at the same rate, nor moving consistently on different elements
- Stakeholders – employees especially – are demanding more
- Major challenges remain:
 - *Lack of supporting policy*
 - *Tension between shareholder returns stakeholder value*
 - *Politicization suppressing corporate voices countering the entrenched status quo*