

# Climate scenario analysis

G100 Climate Risk Roundtable

**Survey results**

December 2019



Building a better  
working world

# G100 Climate Risk Roundtable

## Survey outcomes

### Introduction

Thank you for attending the G100 Climate Risk Roundtable, held at EY's Melbourne and Sydney offices on 26 November 2019.

As part of the workshop, we circulated a survey to those attending to capture key information about the drivers for businesses carrying out scenario analysis as part of addressing climate risks.

The key findings are summarised on this page, with additional information on these key findings set out in the following pages.

### Key findings

1. Around half of all respondents consider that both physical and transition climate risks will be material for their business next year; by 2025, around 73% of all respondents thought transition risks would be material.
2. The majority (73%) of respondents consider that physical and transition climate risks are equally important to their business.
3. Supporting business strategy and planning was the top driver for undertaking climate change scenarios analysis.
4. In-house analysis ability, at least one scenario meeting the Paris Agreement's 2°C goal, and investigating a broad set of risks at a high level were the top three priorities for businesses when establishing their approach to climate scenario analysis.

# When will physical and transition climate changes materially impact your business?

- ▶ The majority (73%) of respondents consider that climate change will materially impact their business **within the next five years.**
- ▶ This reinforces the urgency of assessing, planning for and responding to climate-related risks and opportunities.

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The decisions we make today are critical in ensuring a safe and sustainable world for everyone, both now and in the future... the next few years are probably the most important in our history.

**Debra Roberts**

Co-Chair of IPCC Working Group II

Timing of impact

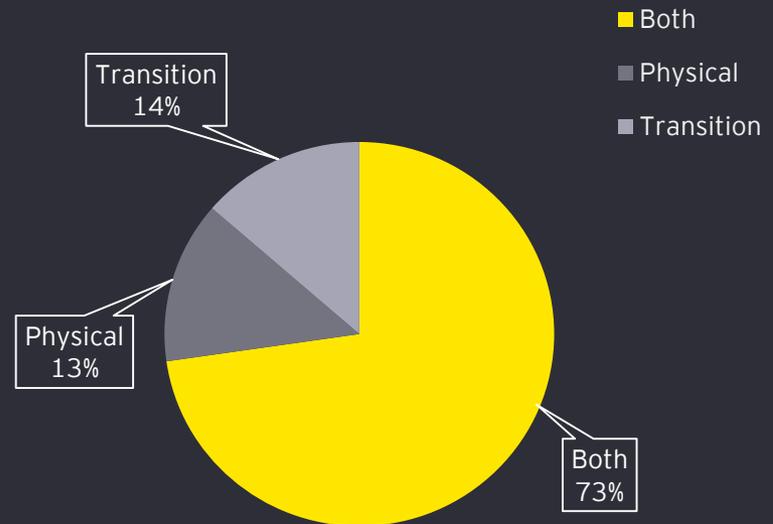


# Companies are increasingly undertaking climate scenario analysis to understand both physical and transition impacts

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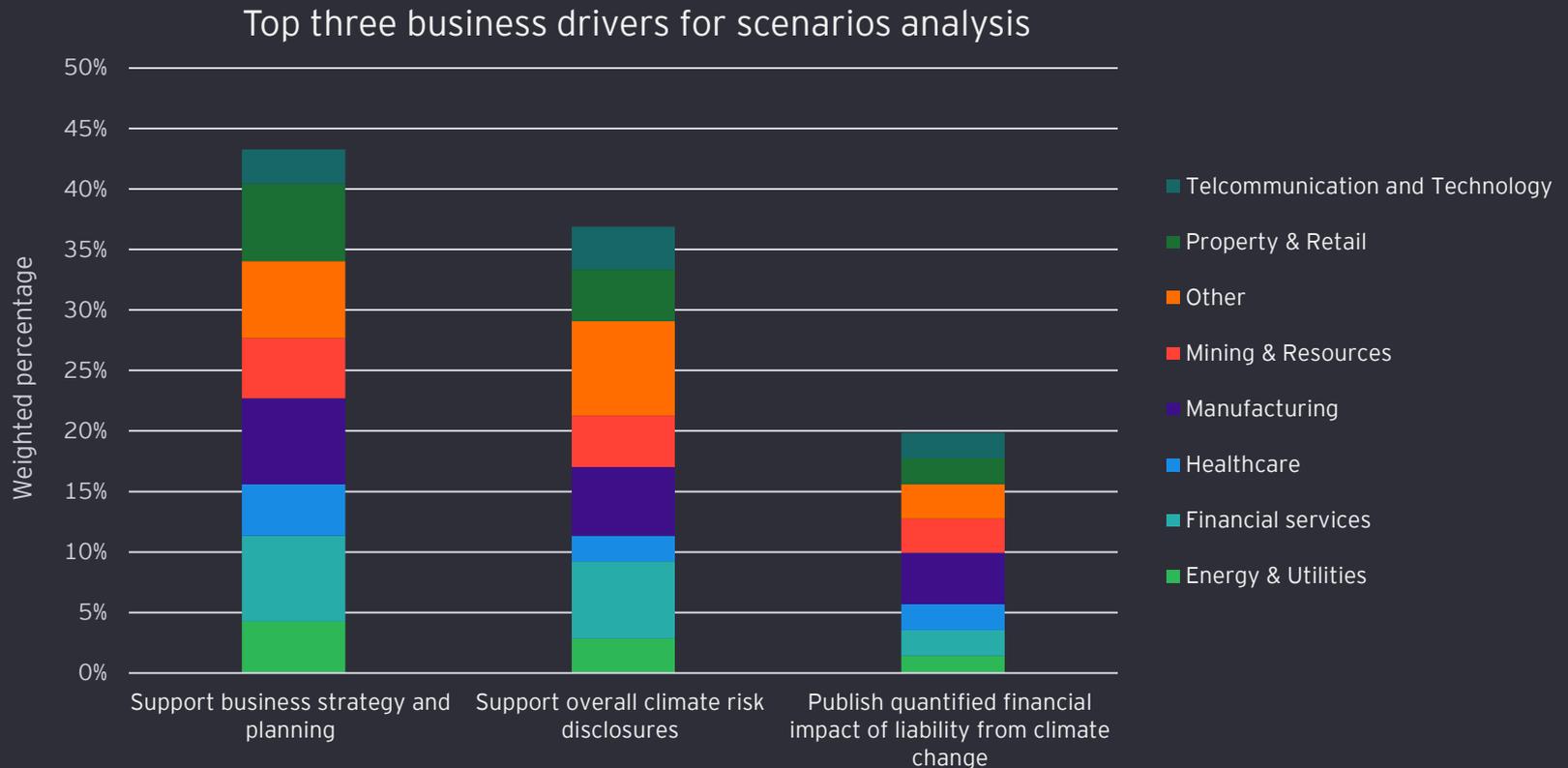
- ▶ Approximately half (56%) of all respondents had already completed climate scenarios analysis.
- ▶ The majority (73%) of respondents believed that physical and transition risks are equally important to understand for their sector.

Are physical and transition risks equally important to understand for your sector?  
If not, which one is more important?



# Top three business drivers for undertaking scenario analysis

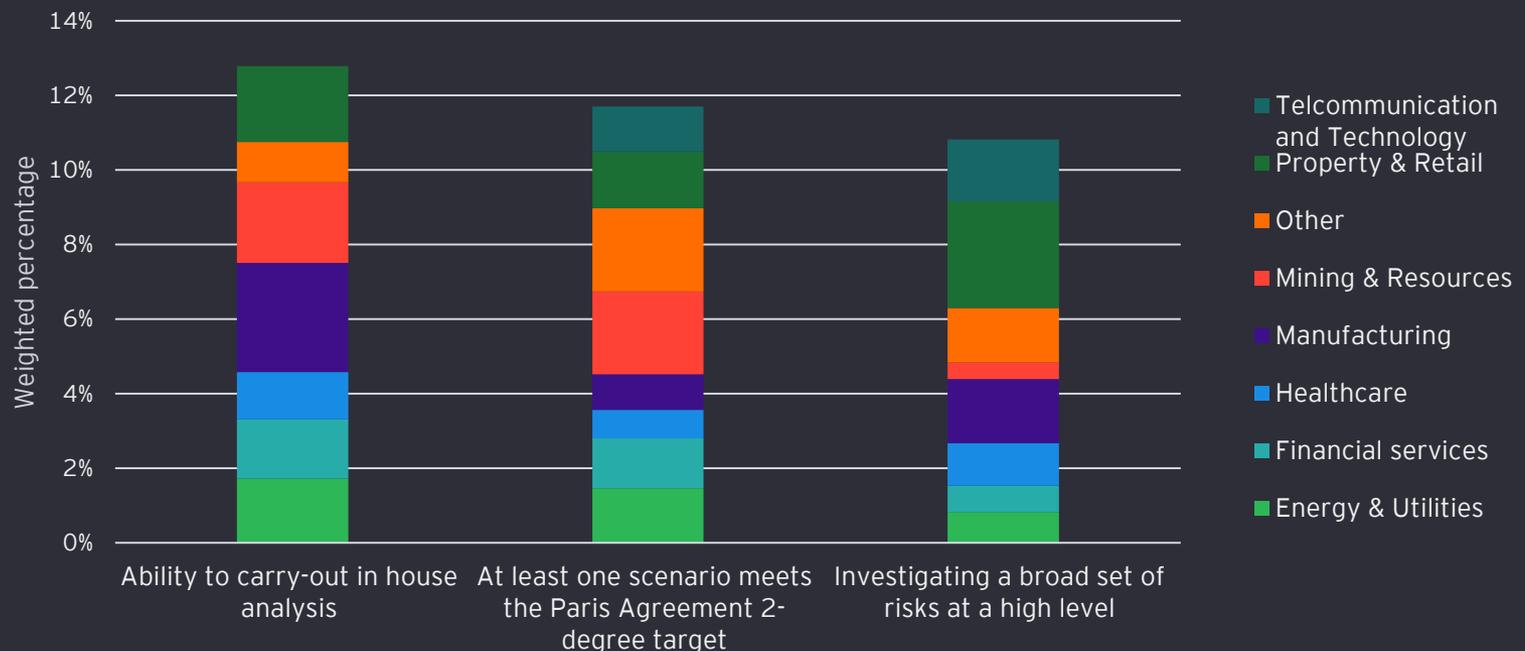
- ▶ Supporting business strategy and planning was the top driver for undertaking climate change scenarios analysis. This view was held both by businesses that had carried out climate scenario analysis, and those yet to carry it out.



# What would be / were your priorities when establishing your approach to climate scenario analysis?

- ▶ When considering the approach to climate change scenario analysis, in-house analysis ability, at least one scenario meeting the Paris Agreement's 2°C goal, and investigating a broad set of risks at a high level were the top three considerations.

Top three priorities when establishing climate scenario analysis



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