

Launch of the first ever Quebec Businesses Transition Barometer

Climate emergency: employees are the main source of pressure for Quebec SMEs to act

Montreal, November 30, 2022 – Quebec Net Positive launches the inaugural edition of the Businesses Transition Barometer. While the integration of ESG (Environmental, Social and Governance) is receiving more and more attention within the business community, this Barometer is the very first study to focus precisely on corporate climate action, including SMEs. To conduct this important study, Quebec Net Positive commissioned the research firm Léger that surveyed 501 senior executives from Quebec businesses between September 22 and October 11, 2022.

"With the Barometer, it is the first time that we have access to representative and exhaustive data on the level of commitment of Quebec businesses towards climate action and the transition to a low-carbon economy. I am thankful to our partners Hydro-Québec, Investissement Québec, as well as our collaborators Desjardins, BDC, Futur Simple and Ciblexpert, who made this achievement possible," says Anne-Josée Laquerre, Executive Director & Co-Founder, Québec Net Positive.

The Barometer reveals first-of-its-kind data on the sources of pressure and key triggers for action, awareness of the topic, perception of transition risks and opportunities, the climate actions that are already implemented and to come and more. Key highlights include:

- **The main source of pressure for small and medium-sized enterprises (SMEs) comes from within, particularly from employees**
 For the 26% of SMEs (10-249 employees) that report strong pressure to reduce their greenhouse gas (GHG) emissions, the main source of pressure comes from employees (27%). Employees are twice as important a source of pressure for SMEs as the management team/Board (13%). On the other hand, 36% of large companies (250+ employees) report strong pressure to reduce GHGs. They are under more pressure from standards, laws or regulations (33%), their customers (30%), the management team/Board (26%), competitors (26%) and, to a lesser extent, employees (10%).
- **Quebec businesses say they are called upon to act on climate issues regardless of the importance of climate issues within their business sector**
 While 28% believe that climate issues are important within their industry, 84% believe that there is an urgent need to reduce GHG emissions and 85% agree that businesses have a central role to play in reducing GHG.
- **Even though they believe that action is urgently needed, businesses are slow to take action**
 While 86% say they are motivated to do things differently, 48% of businesses report not having yet implemented any climate action within their operations and less than a quarter (24%) report seeing actual examples that the transition to a low-carbon economy is already underway within their industry.
- **The veil has been lifted on what triggers businesses to act**
 The main trigger for corporate action is the global environmental situation/climate crisis (40%). The other main triggers are employee/manager concerns and ideas (35%), access to new knowledge/data (18%) and citizen pressure (17%).

- **Climate literacy is needed now more than ever**

When asked about their understanding of several climate-related terms, 23% of respondents revealed that they could not explain any of the proposed choices in their own words. Fourteen percent said they could explain direct and indirect greenhouse gas (GHG) emissions (Scope 1, 2 & 3), 18% greenwashing, 39% carbon neutrality and 70% climate change.

- **Over the next two years, the optimization of energy management will be the main new climate action implemented**

In addition to the actions already underway, climate actions related to the optimization of energy management are most often considered over the next two years (44%), including reducing the company's digital footprint (44%), measuring and improving building energy efficiency (38%) and migrating to sustainable energy sources (36%).

Characteristics of advanced businesses

The results reveal that the most advanced businesses and those on a likely transition pathway can rely on internal or external environmental expertise. They tend to be further up the value chain, larger in size and under greater pressure. In addition, their most senior executives are between the ages of 35-54 and their management teams have a higher proportion of diversity leaders. Notably, the management teams and boards of directors leading the most advanced businesses are more informed about the risks and, more importantly, about the opportunities of the transition to a low-carbon economy.

Quote

"Businesses and their advisors will now be able to rely on the Businesses Transition Barometer to identify the levers they can activate to initiate or accelerate their climate action," says Anne-Josée Laquerre. "As a complement to our mapping of the low-carbon economy, the data and new insights from the Barometer are crucial. Collectively, we will be able to better understand the dynamics of the important economic transition underway and better target mobilization efforts to generate maximum positive impacts for businesses, society, and the environment," she concludes.

For more information

Download [Infographics \(Eng.\) & report \(Fr.\)](#)

Consult the [Mapping of the Low Carbon Economy in Quebec](#)

To register for the results presentation webinar (Fr.), Dec. 8, 11:00 am – [click here](#)

About Québec Net Positive

Québec Net Positive is an independent think tank, not for profit, whose purpose is to accelerate the transition to a low-carbon and "net positive" economy. Supported by the McConnell Foundation, its mission is to raise awareness, mobilize and equip businesses to help them seize new business opportunities, go beyond risk mitigation, and activate their full potential to create positive impacts on society and the environment.

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