

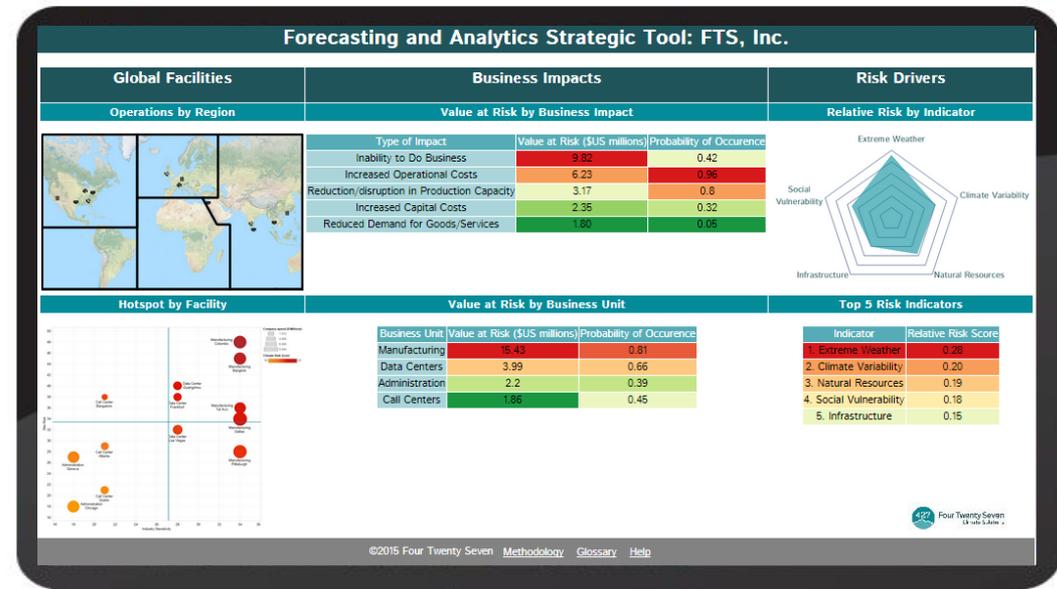
2015 Corporate Adaptation Survey

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Bay Conservation and Development Commission - Sea Level Rise Working Group
July 9th, 2015

+ What is Four Twenty Seven?



- Award-winning climate risk and adaptation consultancy
- Founded in 2012, based in SF Bay Area, CA
- The name Four Twenty Seven is a reference to California's 2020 GHG emissions target, 427 million tonnes of carbon dioxide equivalent.



+ Our vision

- Private sector is essential to socio-economic and community resilience
- Climate change reinforces interdependency between public and private sector
- Helping corporations understand the microeconomic cost of climate change will also move the needle on mitigation



Manhattan, post-Hurricane Sandy (Oct 2012)

+ Consulting Practice Areas

Climate Risk Management

- Climate risk assessments and risk mitigation strategies for large corporations and agencies
- Coalition-building workshops and climate wargaming for strategic planning
- Portfolio and market climate risk assessment to inform investment decisions

Climate Adaptation Planning

- Support local government engagement with private sector on climate resilience
- Identify and disseminate best practices between and across public and private sectors
- Quantify and monitor economic benefits of community resilience

+ A Track-Record of Innovation

Reference Clients



Awards & Media Coverage

Awards



Media coverage



ENVIRONMENTAL BUSINESS JOURNAL®
Strategic Information for a Changing Industry

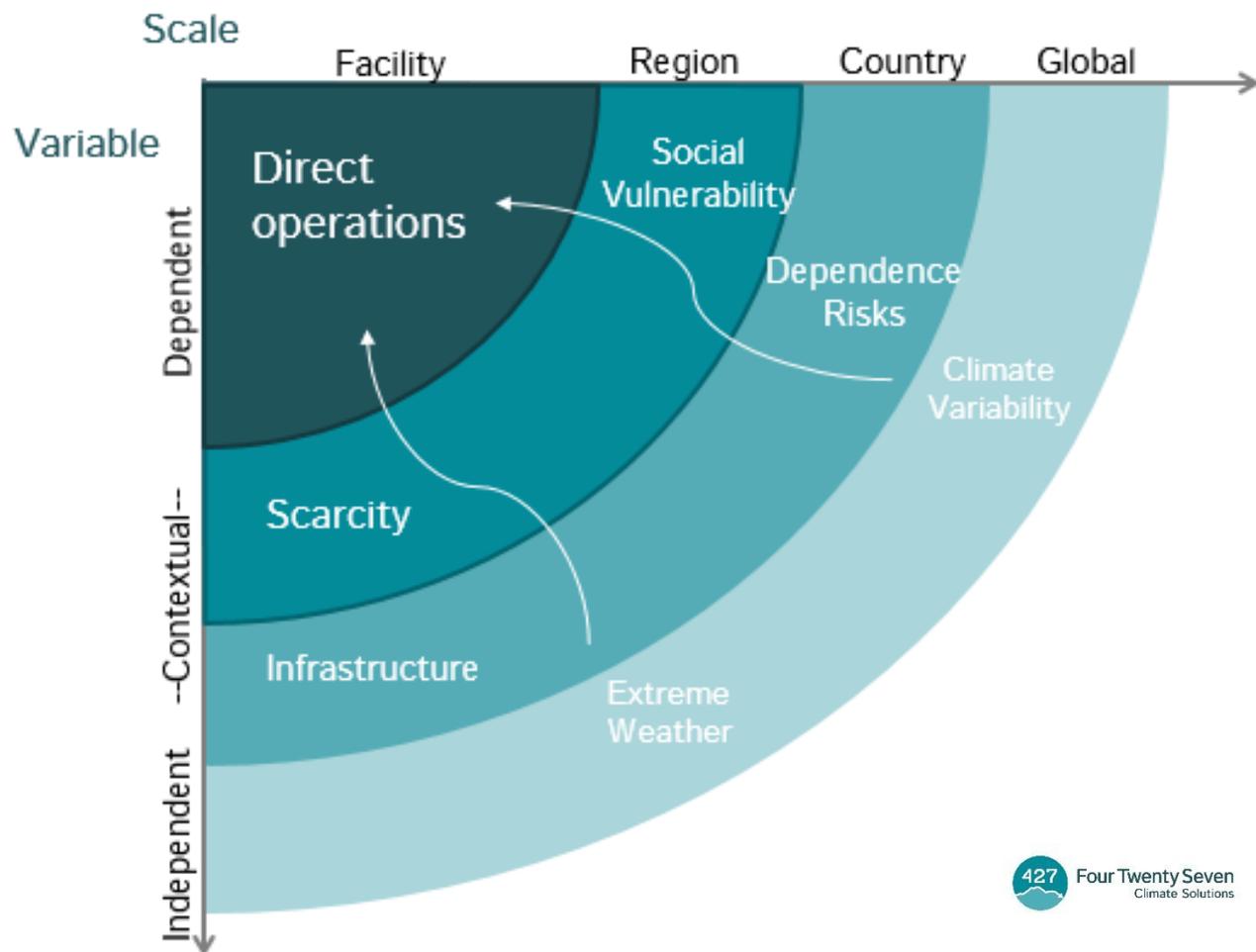
Volume XXVII, Number 3, 2014 Environmental Industry Outlook 2014 Environmental Business International Inc.



+ Shedding Light on Corporate Adaptation

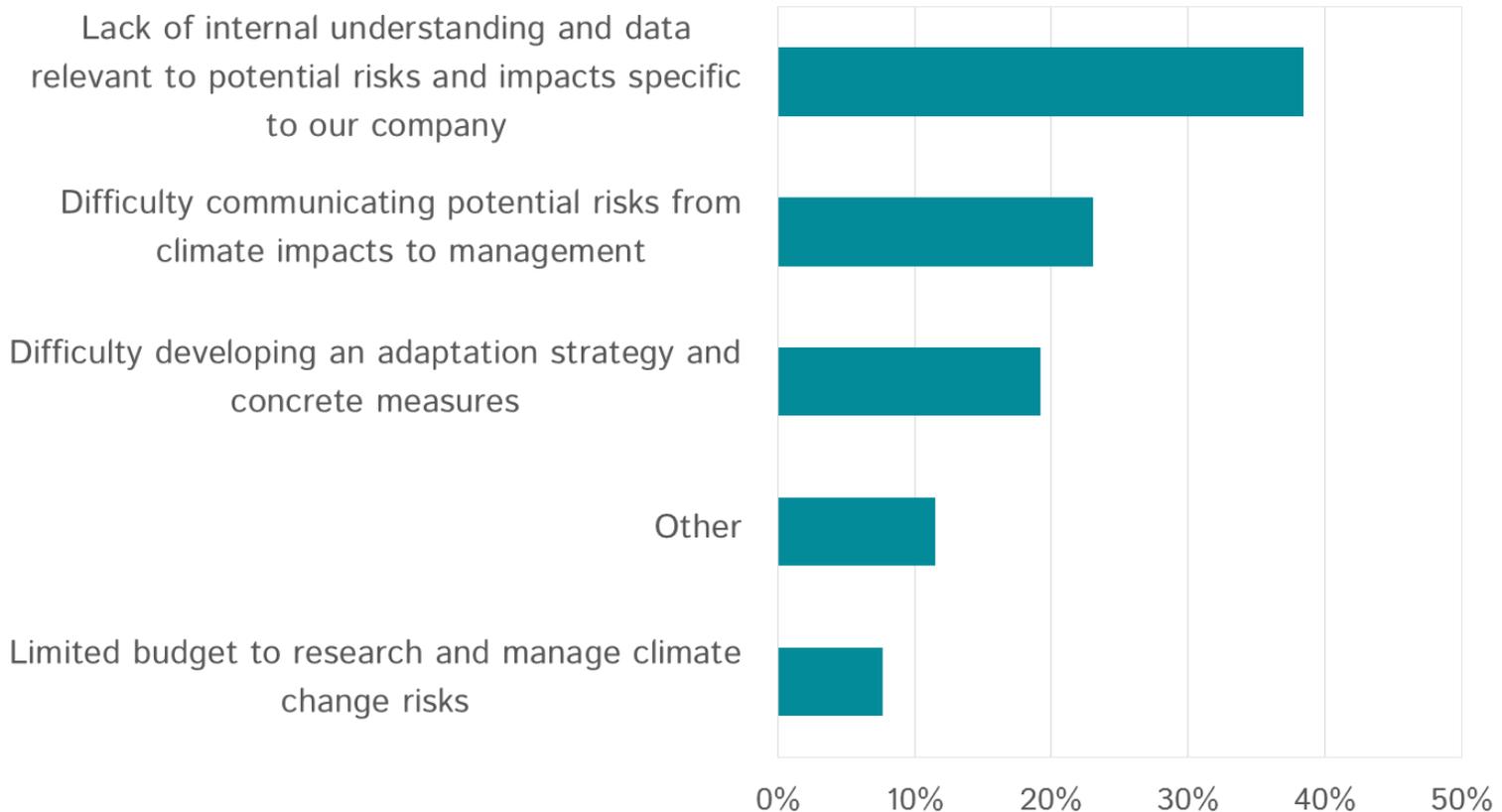
+ Climate change increases public-private interdependencies

- Impacts can come from near and far climate hazards and affect shared infrastructure and institutions
- Resilience requires strong businesses and community collaboration
- Need for public-private partnership to define, design and finance resilience



+ Corporate adaptation faces major barriers

Question: Which of the following is the most relevant challenge facing your company in dealing with climate adaptation?



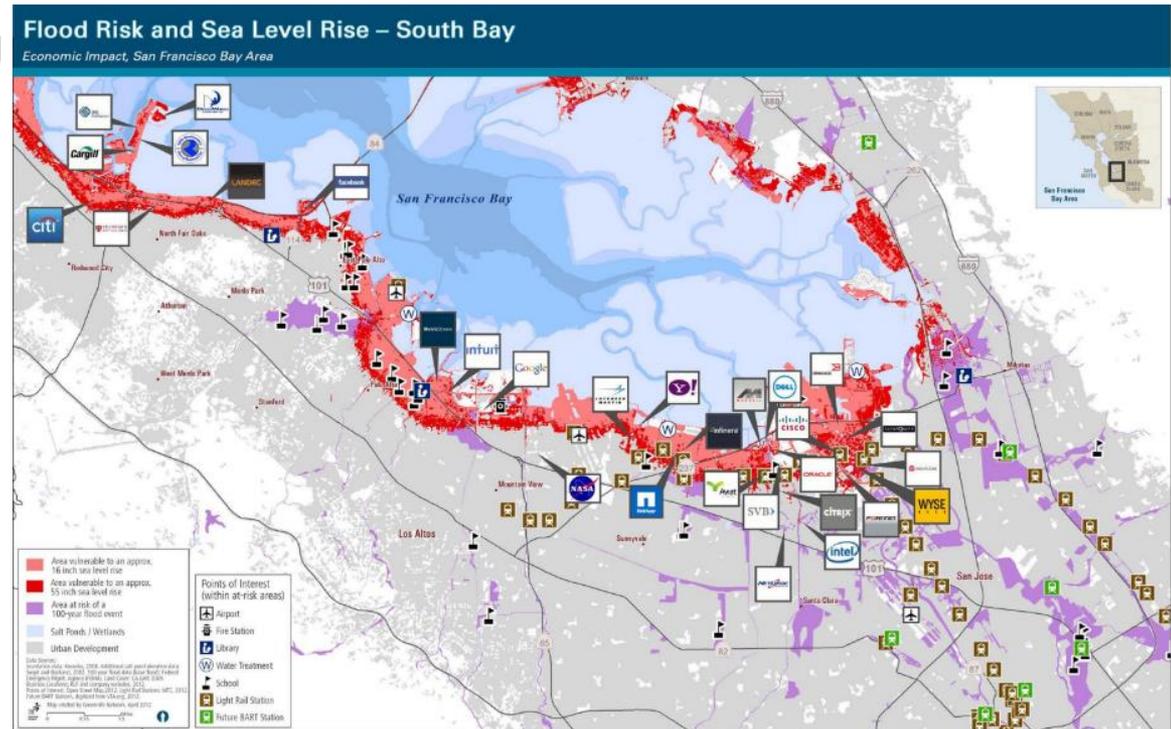
+ Private sector perspective: Regulatory risk and opportunities

■ Regulatory risk:

- Change in land use zoning and/or loss of property value
- New building/construction standards, new insurance requirements
- Likely discrepancies between states/cities

■ Opportunities:

- Contribute to adaptation efforts to protect employees and facilities
- Understand regional infrastructure
- Community engagement



Source: USGS

+ How BCDC can provide leadership

Action Characterization	Description
Unlocking	Actions that can enable other actions. Some unlocking actions contribute independently to resilience, while others serve primarily as stepping stones to other actions. Unlocking actions are generally high priority for implementation as they are often the foundation on which many other actions depend. However, depending on the vulnerability the action addresses and the potential magnitude of the consequences, not all unlocking actions will be taken first as other actions may be higher priority or provide multiple benefits and therefore would be easier to gain support and funding for.
Do it Yourself (DIY)	Actions that an asset owner or operator could take on independently without the formation of new partnerships or collaborations. DIY does not imply a 'go it alone' approach, as owners and operator will need to comply with existing regulations and it may be beneficial to seek participation from other entities. DIY does indicate the actions that can be taken without changes to existing regulations, possibly using existing funding streams or operational processes such as regular maintenance or upgrades tied to asset lifecycle
Multi-benefit	Actions that will improve asset performance or provide community benefits beyond improving the resilience to climate change. These benefits may include addressing other hazards such as earthquakes, improving the local quality of life, for example through new recreational opportunities, or encouraging the local economy. Investments in actions that provide multiple benefits that in near term can improve sustainability and help to address existing challenges.
Long Lead Time	Actions that should be implemented early as they generally require the coordination of many partners, will result in formal agreements, joint planning or funding decisions, require difficult decision making or are controversial, include a number of different assets, or require collaborative regional planning or research.
Scale	Indicates the geographic scale at which an action could be carried out. Local actions are those that would be taken at the city or county level; regional actions across the entire nine county Bay Area by the agencies, organizations or entities that operate at this scale; state actions by state agencies or state-wide organizations or entities; or at the federal level by national agencies or partners



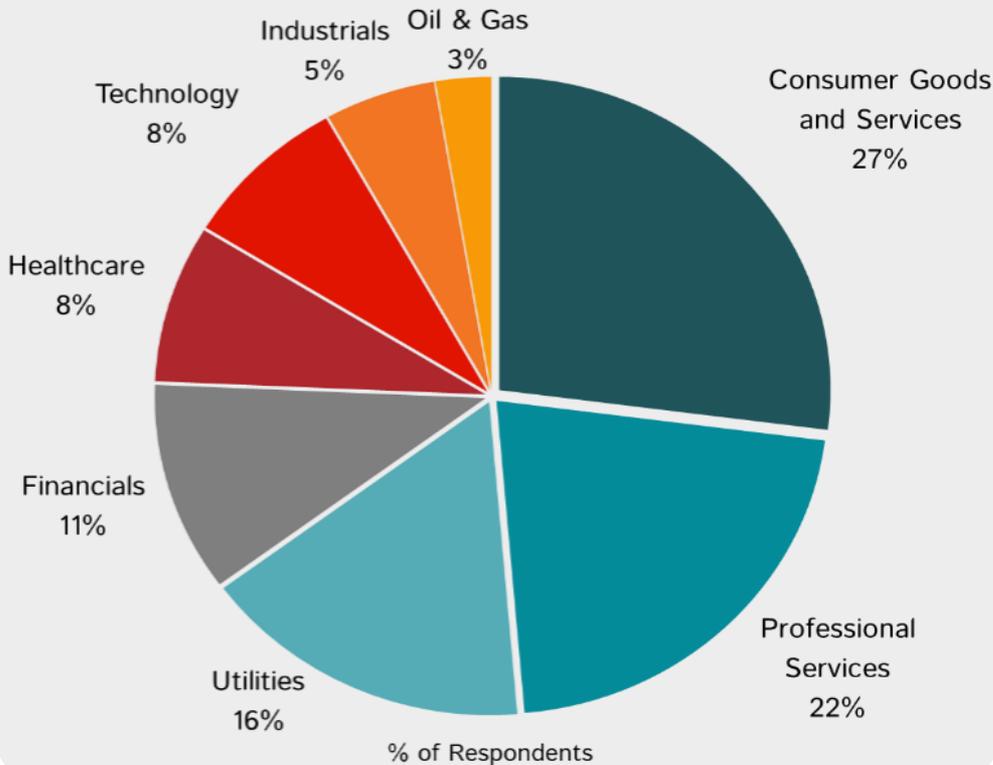
+ 2015 Corporate Adaptation Survey

Results and Highlights



Outreach and Methodology

Which best describes your company's sector?

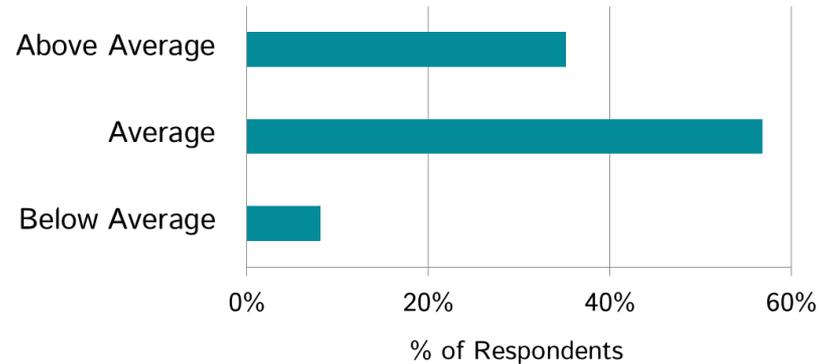


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Survey partners



Compared to your company's competitors, your company's current level of preparedness is:



+ Key Findings and Challenges

1. **Lack of Urgency**

Respondents struggle to articulate and communicate the immediate relevance of climate risk management

2. **Need for Guidance**

Respondents lack a clear roadmap for corporate climate adaptation and guidance on 'socially responsible' adaptation

3. **Safety in Numbers**

Industry associations and sector specific solutions can play a key role in fostering corporate adaptation action and knowledge sharing



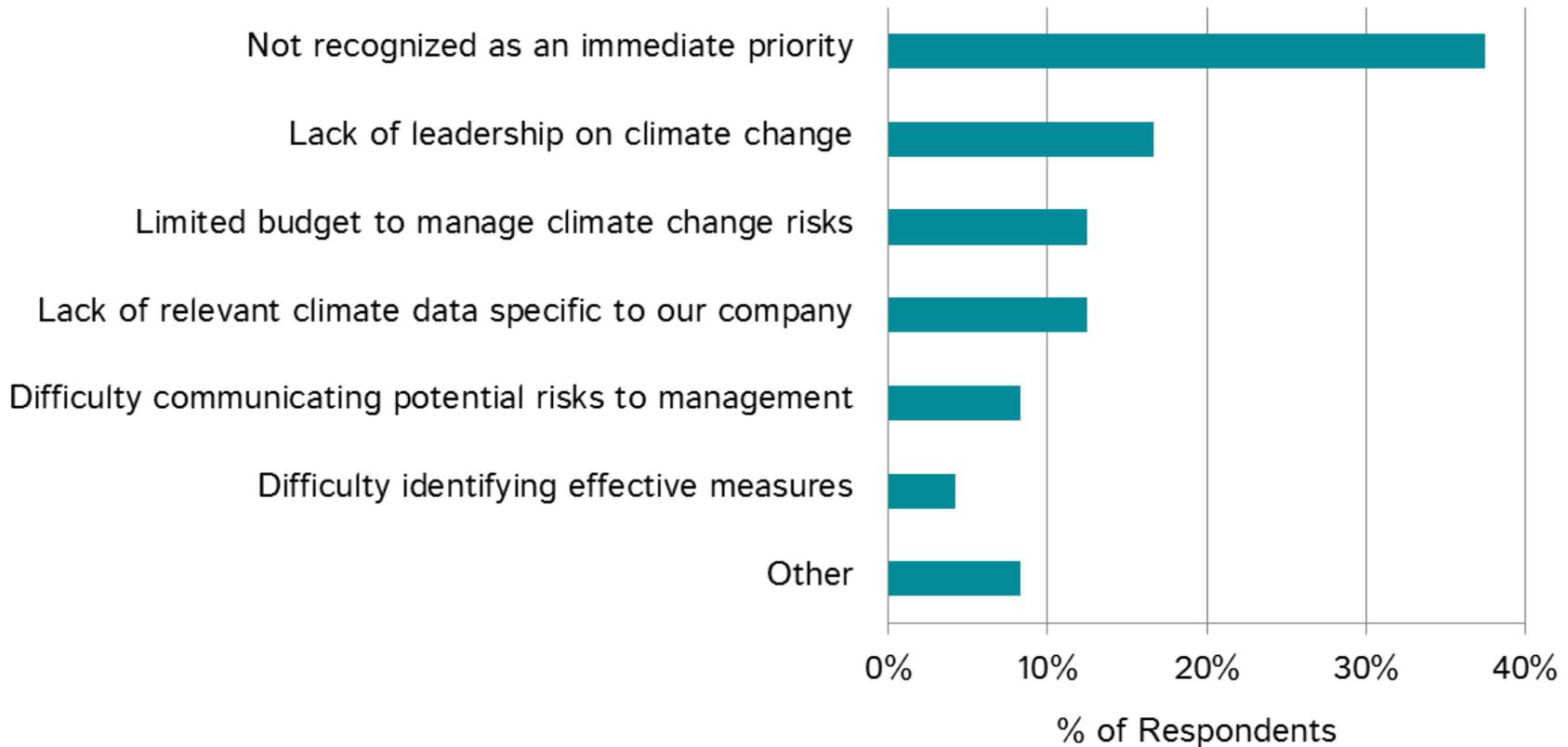
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Lack of Urgency



Climate Change Not Recognized as an Immediate Priority

What are the main barriers to action?

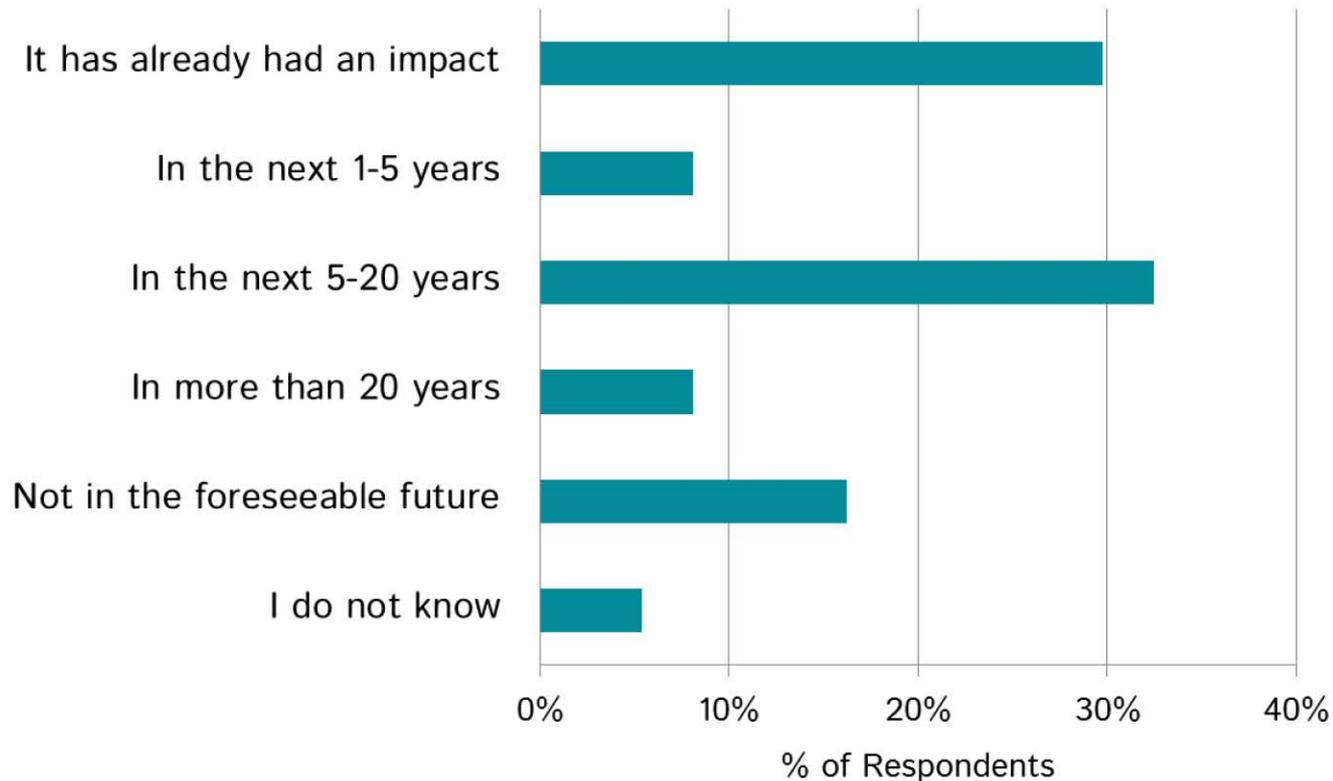


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Short-Term Impacts: the Corporate Blind Spot?

When will the impacts of climate change have a material impact on your company?

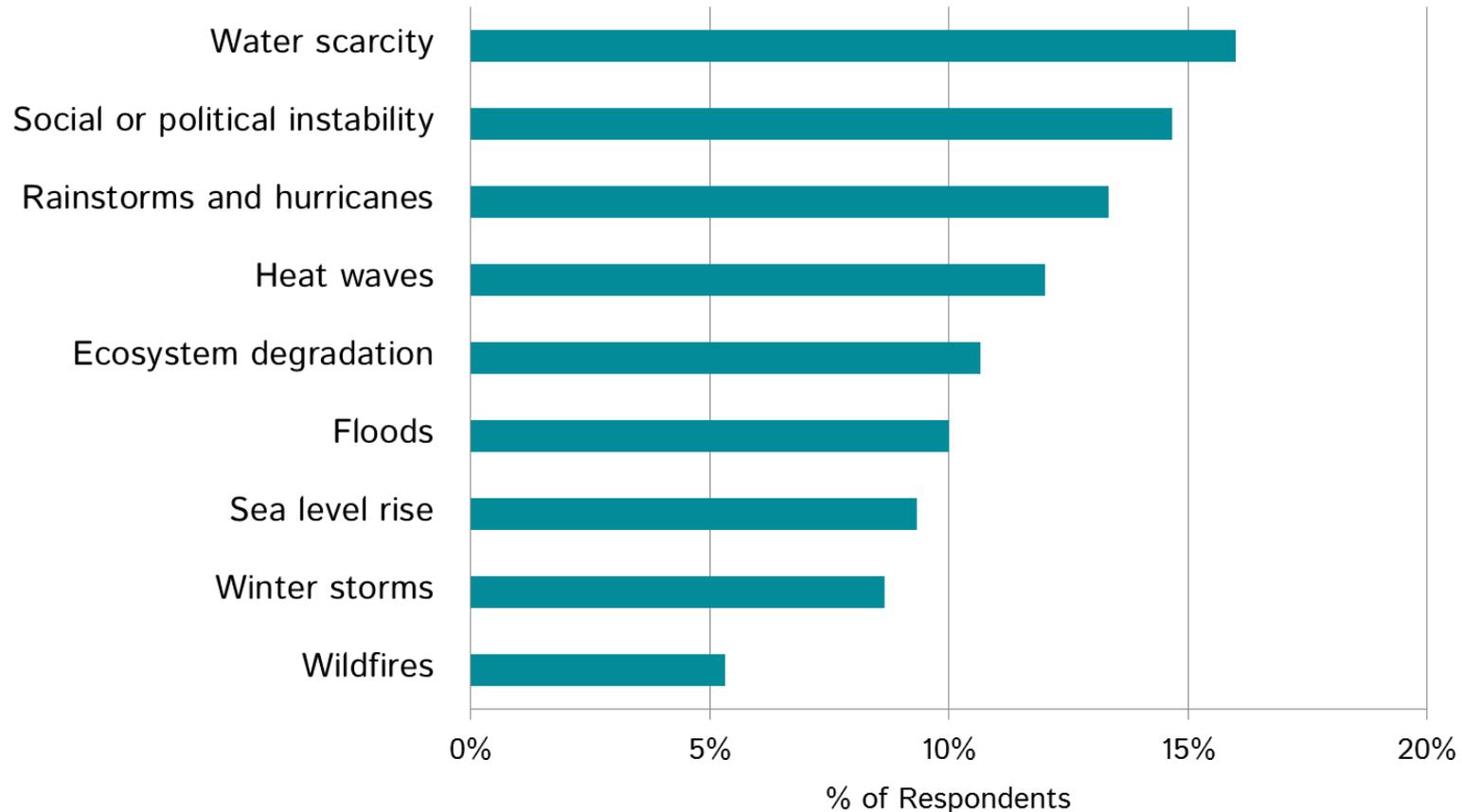


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Water Scarcity and Political Instability are Key Risk Drivers

In your view, which of the following direct or indirect impacts of climate change present a risk to your company?





Need for Guidance

+ Few Companies Have Performed a Comprehensive Risk Assessment

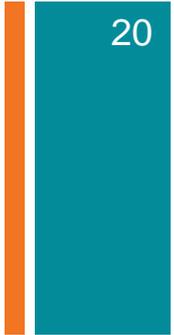
How does your company assess risks related to the physical impacts of climate change?



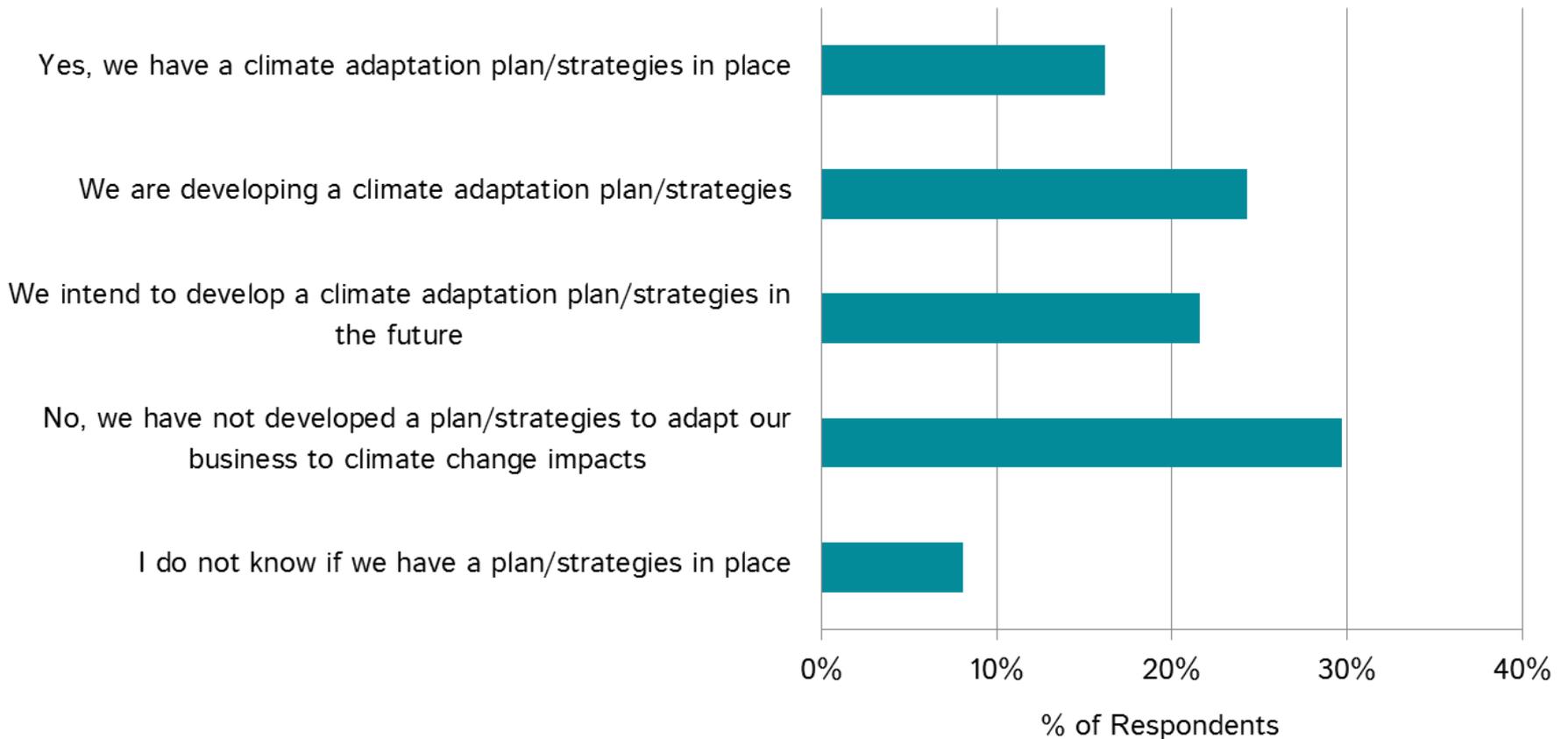
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30% Do Not Have an Adaptation Plan or Strategies in Place

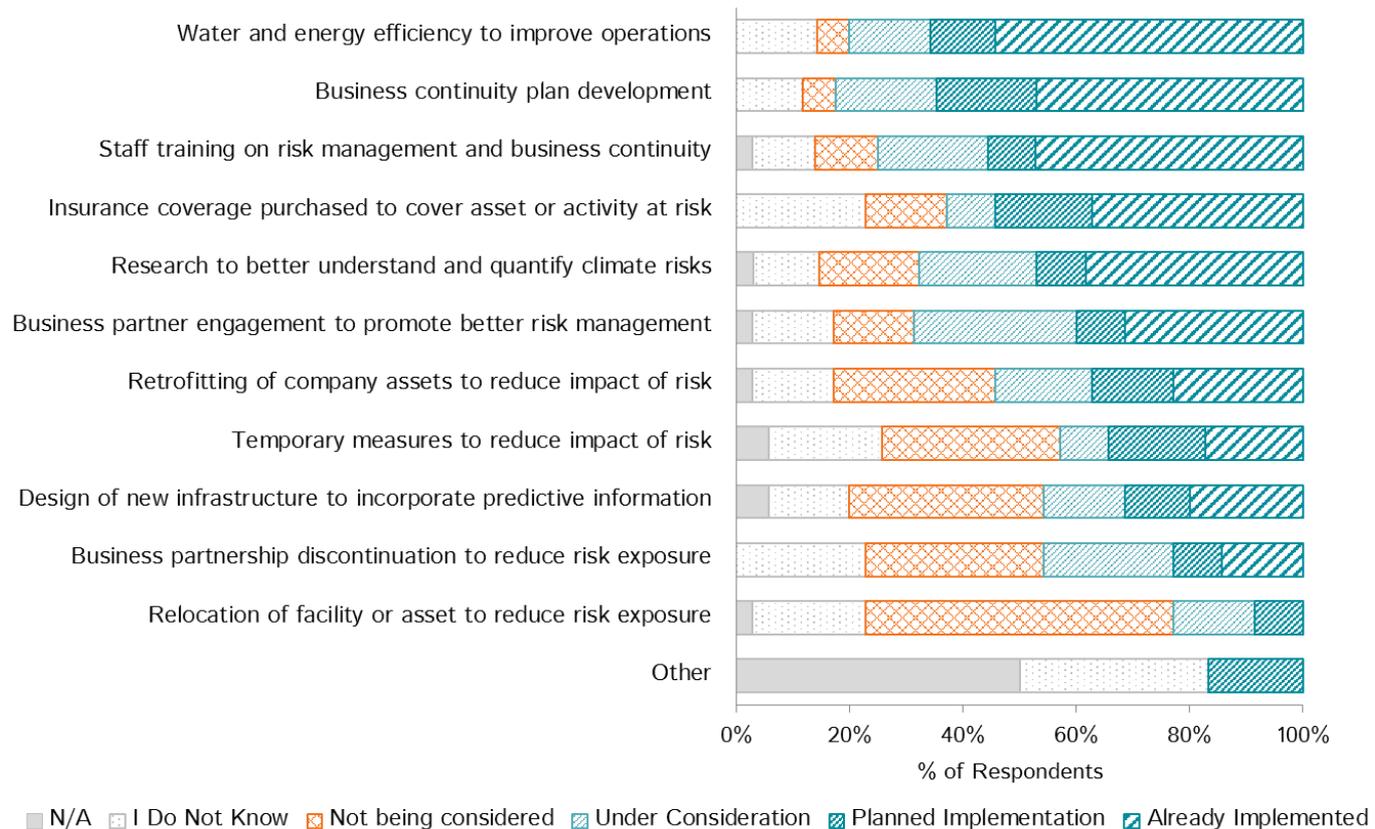


Does your company have a climate adaptation plan and/or strategies in place?



+ Companies are Investing in Efficiency and Staff Training

Which of the following climate risk mitigation or adaptation measures has your company implemented?



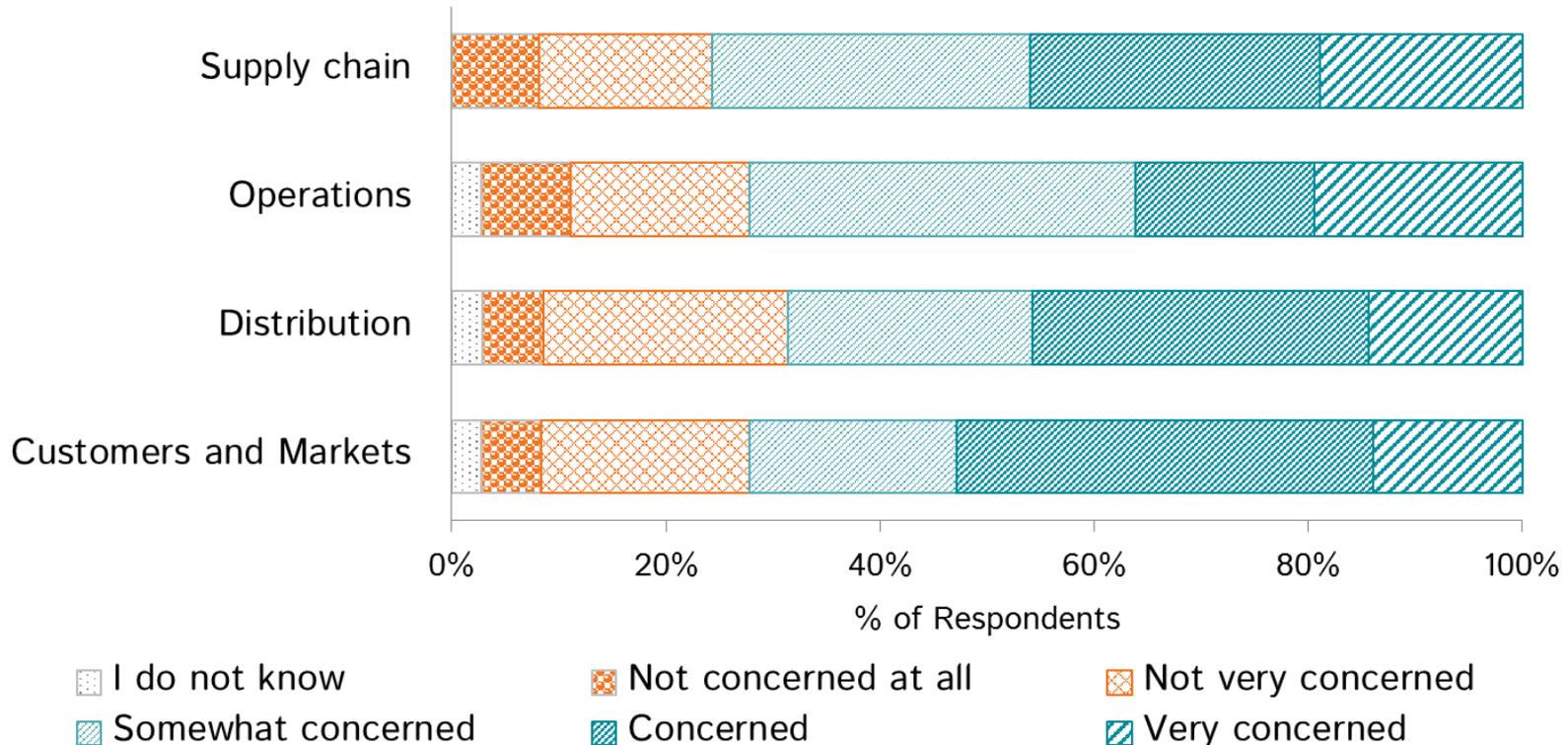


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Safety in Numbers

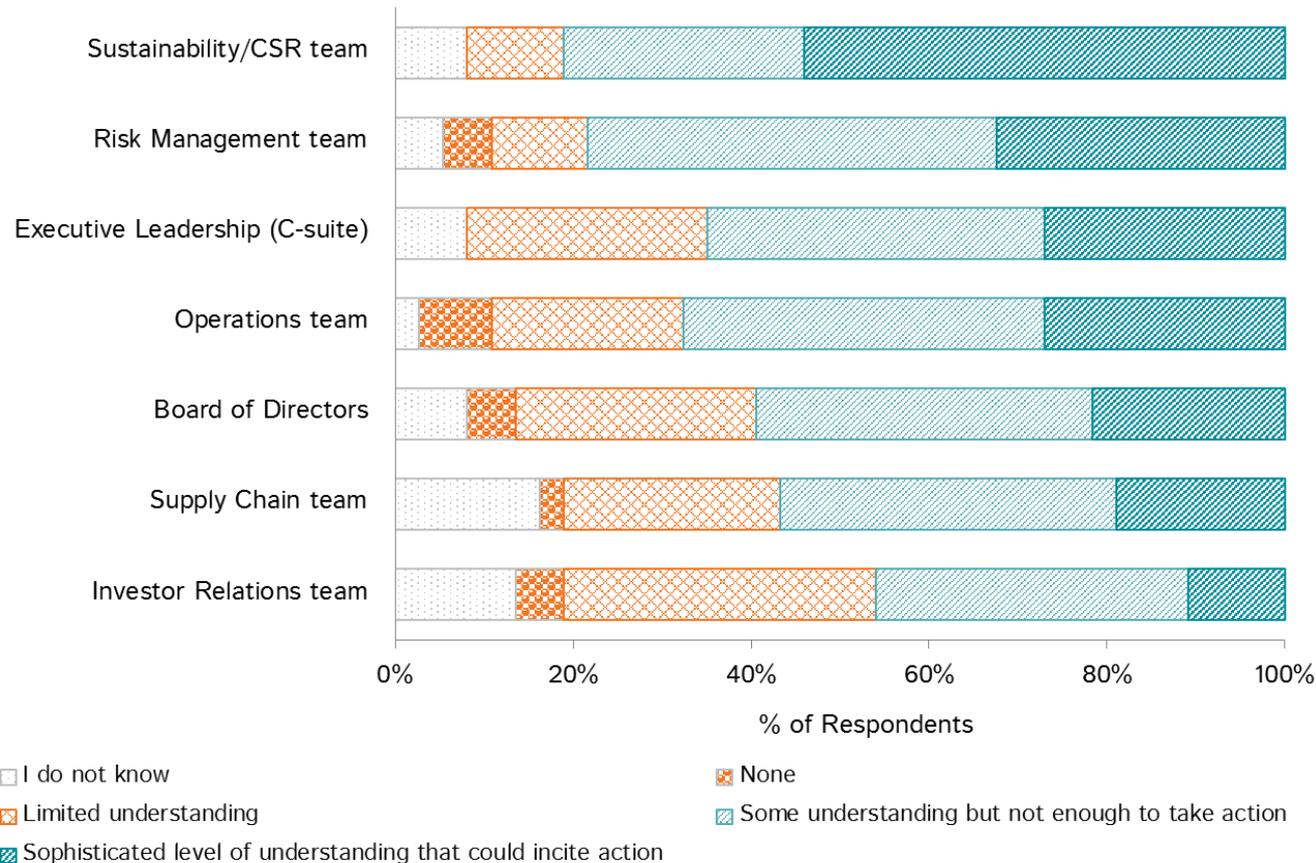
+ Material Impacts Expected Across the Value Chain

How concerned are you that climate change will have a material impact on your company's value chain?



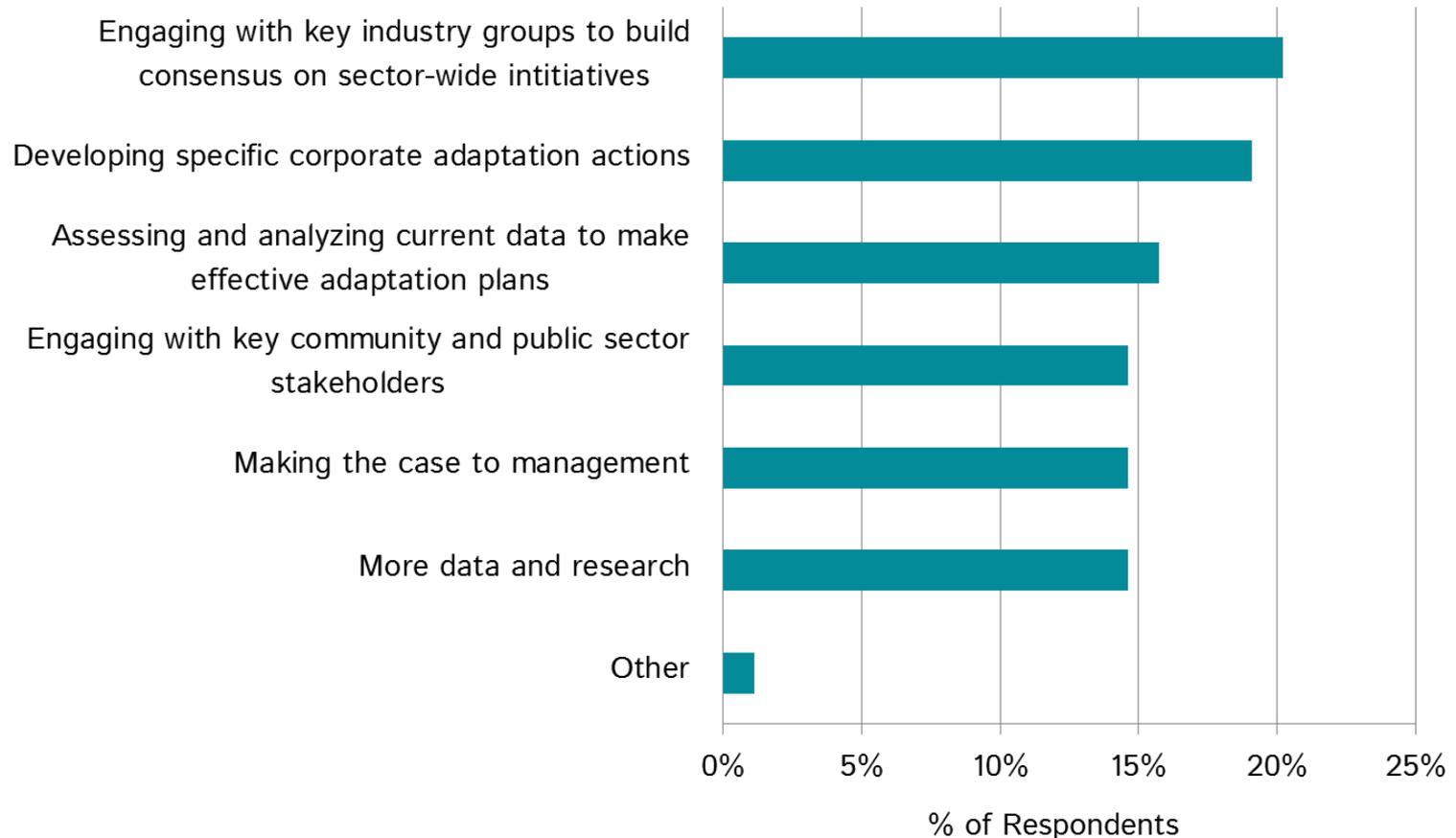
+ Company Leadership: Limited Understanding of Climate Change

In your opinion, what level of internal understanding do your colleagues currently have of climate change risk?



+ Industry Groups Key Resource for Consensus Building

What do you see as the most relevant next steps for your company in assessing climate risk?



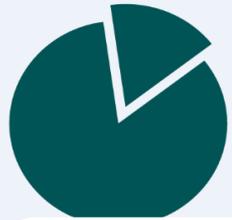


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Taking Action

+ What Local Governments Can Do

Public action: an enabler for private sector and community resilience



Understand

- key vulnerabilities among local businesses and critical economic sectors



Engage

- with Chambers of Commerce, industry groups and Business Improvement Districts to raise awareness



Coordinate

- sector-wide or district specific adaptation planning and resilience building



Design

- public private partnerships that leverage resources and expertise

+ SLR Focused Engagement



- ✓ What is our shared vision for local resilience to SLR?
- ✓ Where are the biggest implementation challenges for SLR solutions?
- ✓ What role(s) can the private sector play?
- ✓ What are the near-term risks and opportunities from SLR?
- ✓ How can local government set expectations specific to SLR challenges?
- ✓ What is the SLR challenge you are trying to solve?
- ✓ Who needs to be at the table and why?
- ✓ What is the business case for private sector engagement?

+ Continuing the Conversation

- Upcoming projects and publications
 - Small Business Resilience City Partnerships (ongoing)
 - White House Hospital Climate Risk Assessments - Pilot project (October)
 - Corporate Adaptation Training courses (VERGE - October)
 - UN Global Compact Corporate Adaptation report (December)
 - Corporate Adaptation Survey 2016 (Spring)



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