EUROPEAN FIRMS AND CLIMATE CHANGE 2020/2021
Evidence from the EIB Investment Survey
European firms and climate change 2020/2021
Evidence from the EIB Investment Survey
August 2021
European firms and climate change 2020/2021: Evidence from the EIB Investment Survey

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About the EIB Investment Survey (EIBIS)
The EIB Group Survey on Investment and Investment Finance is a unique, annual survey of some 13,500 firms. It comprises firms in all EU Member States and the UK, as well as a sample of US firms which serves as a benchmark. It collects data on firm characteristics and performance, past investment activities and future plans, sources of finance, financing issues and other challenges that businesses face. Using a stratified sampling methodology, EIBIS is representative across all Member States of the EU and for the US, as well as for firm size classes (micro to large) and four main sectors. It is designed to build a panel of observations to support time series analysis, observations that can also be linked to firm balance sheet and profit and loss data. EIBIS has been developed and is managed by the Economics Department of the EIB, with support for development and implementation by Ipsos MORI.

For more information see: http://www.eib.org/eibis.

About this publication
This is a report of the EIB Economics Department. The data source for this report is the EIB Investment Survey (EIBIS) 2020. Results are weighted by industry group (sector), firm size-class and country. The methodology of the EIBIS survey is available at: https://www.eib.org/en/about/economic-research/surveys-data/about-eibis.

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About the EIB Economics Department
The mission of the EIB Economics Department is to provide economic analyses and studies to support the Bank in its operations and in the definition of its positioning, strategy and policy. The Department, a team of 45 economists, is headed by Director Debora Revoltella.

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Overview

The COVID-19 recovery is an opportunity to refocus businesses’ attention on climate investments. The European Union’s recovery strategy aims to overhaul the economy by making it more green and digital. The climate objectives encompassed in EU rebuilding efforts could accelerate the fight against climate change and contribute to the European Union’s pledge to become the first carbon-neutral continent by 2050.

Climate change poses two kinds of risks for firms: direct physical risks and transition risks. Physical risks, such as those caused by acute weather events, are easier for firms to observe and understand. Transition risks are less evident, as they depend on global commitments to reduce their economies’ reliance on fossil fuels. Nearly 60% of European firms believe that climate change poses a physical risk, compared with 50% in the United States, according to the EIBIS 2020.

Firms in the European Union and the United States tend to disregard the importance of transition risks, however. Firms have a harder time understanding the threat the transition poses to demand for their products, their supply chain and their reputation. Despite the costs associated with transition risks, the majority of firms in the United States and European Union seem unaware of these risks. Firms that are aware of the risks the transition poses to their business activities are more likely to invest in climate measures.

Climate change’s ultimate impact may still be hazy for many businesses, but more EU firms are investing to protect themselves than US firms. Around 45% of EU firms say that have invested in climate change measures, according to the EIBIS 2020, compared with 32% of US firms. Northern European firms are the most active investors, followed by firms in Southern Europe. At the same time, investments in energy efficiency continue to rise. Nearly half (47%) of EU firms surveyed say they have invested in energy efficiency, a ten percentage point rise compared to 2019.

Uncertainty over regulation and taxation continues to hamper climate investments. EU firms are more likely to face constraints when investing in climate than their US counterparts. The most frequently cited obstacle is uncertainty about regulation and taxation (43%), followed by investment costs (41%).

To build a sustainable economy, Europe needs a comprehensive strategy with a clear regulatory framework, strong climate policies and proactive public and private investments. The right framework would help create a virtuous circle, in which the private and public sector work together to invest in greening the European economy.

Debora Revoltella
Director, Economics Department
European Investment Bank
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1. Introduction

While 2019 witnessed the resurgence of climate activism calling for immediate political action, 2020 saw businesses and governments coping with the severe consequences of the COVID-19 pandemic. The continuous strain the virus has placed on economic activity has forced firms and policymakers in all countries to prioritise short-term policies to address this unprecedented health crisis.

Although the COVID-19 pandemic poses a threat to the future of climate investments, it can also be seen as an opportunity for “building back better”, as climate change remains at the top of the political agenda in the European Union and beyond. Europe’s COVID-19 recovery strategy also encompasses climate objectives, which can accelerate the fight against climate change and contribute to the European Union’s pledge to become the first carbon-neutral continent by 2050. This is also aligned with the European Commission’s communication “A Clean Planet for All,” which lays down the European Union’s long-term strategy for reducing emissions to achieve a net-zero economy.

The transition towards a sustainable economy requires a comprehensive strategy with a clear regulatory framework, widespread climate awareness among businesses and proactive public and private investments. At the EU level, the implementation of a classification system that establishes a list of environmentally sustainable economic activities (known as the EU taxonomy) and the specification of reporting requirements for large companies have set the benchmark for the future, increasing awareness of the required transformation and associated risks. With the realities of climate change becoming more apparent in recent years, firms have gradually started to account for climate risks in investment strategies, operational assessments and asset valuations.

In the financial sector, sustainability has become imperative, with the launch of the first EU-wide climate stress test and banks being strongly encouraged to disclose their exposure to climate risks. The rapid development of sustainable finance is recognising price advantages for those issuers with assets aligned with the EU taxonomy. In terms of fiscal policies, a clear and explicit direction in public investment is emerging, with recovery programmes significantly oriented towards sustainability at EU and national level. However, while all these elements are essential for a comprehensive turnaround, increased climate awareness among economic entities remains crucial, as most do not fully acknowledge the magnitude of the risks associated with climate change.

Based on the EIB Investment Survey (EIBIS) 2020, this report focuses on EU firms and provides a brief overview of firms’ perceptions of climate risks, their investments to address those risks and the main factors influencing their decisions. The EIBIS is an EU-wide survey that includes interviews with over 13,500 firms of various sizes and from different sectors. Conducted annually since 2016, the EIBIS offers qualitative and quantitative information about firms’ investment activities, their financing needs and the difficulties they face. These answers are compared across countries, sectors and firms to identify areas for improvement and target setting.

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1 This report concludes with an annex presenting country-level scoreboards based on 12 separate indicators on the areas described above for the readers’ reference. The annex also includes country dashboards highlighting the climate performance of firms within each particular country.
2. From perceptions to action: How do firms perceive and invest in climate change?

Firms face two main types of climate-related risks: direct physical risks and transition risks that arise from society’s response to climate change. Physical risks are easier to observe and for firms to understand as they emerge from exposure to acute events or chronic transformation. Transition risks are less evident, as they depend on global decarbonisation commitments. It is reasonable to expect a policy response from governments, including stricter regulations on emissions, to achieve national objectives and stay on track with the Paris Agreement. Transition risks may increase the cost of doing business, undermine the viability of existing products or services and lead to stranded assets. Despite growing concerns about the physical and transition impacts of climate change, firms’ awareness of such risks differ geographically and depend on their characteristics.

2.1 Physical climate risks are becoming a reality for firms

Nearly 60% of European firms report a vulnerability to physical risks compared to 50% in the United States (Figure 1). The EIBIS (2020) asked firms if physical risks had impacted their business. Within the European Union, countries in the south are likely to report higher physical risks to firms’ operations than other regions. This is followed by firms in Central and Eastern Europe, reporting a higher vulnerability to physical climate risks than firms in Western and Northern Europe. This relatively higher perception of physical risk, particularly in Southern Europe, may be due to the rising threat of drought, limiting food production and potentially disrupting tourism in the area. In addition, firms with operations that are more vulnerable to extreme weather events — such as the infrastructure sectors, including electricity, utilities, transport, construction and services (most likely hospitality) — are also more likely to perceive higher physical risks.

*Figure 1. Share of firms whose business activities are affected by physical climate risks, by country (%)*

Note: The base is all firms (data not shown for those who said don’t know/refused to answer).

Question: Thinking about climate change and the related changes in weather patterns, would you say these weather events currently have a major impact, a minor impact or no impact at all on your business?

Source: EIBIS 2020

Firms’ perception of physical climate risks is associated with their characteristics and the environment in which they operate. Figure 2 illustrates how perceptions vary according to firm characteristics. The likelihood of firms perceiving climate change as impacting their business is greater for those operating in energy-intensive sectors and those located in countries more directly exposed to climate events.
Similar perceptions are observed among firms with plans to invest in the next three years and those that have set climate targets. By contrast, the probability of firms identifying physical risks as relevant for their business activity is inversely related to the GDP per capita of their country of operation. Higher-income countries most likely have more fiscal space to tackle physical risks, making firms and the public feel that their domestic infrastructure is more resilient to such risks.

Figure 2. The predicted probability of firms perceiving physical risks, for different firm characteristics (percentage points)

![Graph showing predicted probabilities for physical risks]

Note: The predicted probabilities were estimated using a logit model that accounts for clustered error terms. The figure presents coefficients that are significant at a level lower than 10%. The dependent variable takes the value of 1 if firms consider the impact of climate events as minor or major risks to their business activity and zero otherwise. Explanatory variables (other than the impacted predictor) are set at their mean.


2.2 Firms tend to underestimate transition risks as their impacts are not as easily observable as physical risks

Firms in the United States and the European Union tend to disregard the relevance of transition risks (Figure 3). Since transition risks may have varying effects on different business dimensions, firms were explicitly asked to state whether the energy transition will have a positive, negative, or no impact on their market demand, supply chain and reputation. Despite the costs associated with transition risks, the majority of firms in the United States and the European Union seem unaware of these risks across the three dimensions. Still, those acknowledging transition risks associate the climate transition with a positive rather than a negative effect on their demand and reputation. This is not the case for the supply chain, where more firms expect a negative impact than a positive one. When distinguishing by macro-regions, it seems that firms in Central and Eastern Europe are the least concerned about the effects of the transition on their supply chain. Similarly, Western and Northern Europe show the least concern about the impact the transition to a low-carbon future will have on their demand.
Firm-specific characteristics influence the perception of transition risks. Firms in countries where transition risks are higher (as reflected by their climate performance) are more likely to hold negative views about the energy transition, especially for their demand. Conversely, firms with climate targets are more likely to cite a positive transition impact on their reputation, demand and supply chain (Figure 4). This also applies to the impact on the demand and reputation of firms that plan to invest in climate, which would most likely benefit from a first-mover advantage.

Firms aware of the impact of climate risks on their business activities are more likely to invest in climate. Disregarding climate risks may prompt a firm to undervalue the long-term benefits of investing in mitigation and adaptation and simultaneously overvalue non-climate investments to reap short-term benefits. It is thus reasonable to expect that climate investments will vary alongside climate risk.

Note: The predicted probabilities were estimated using an ordered logit model that accounts for clustered error terms. The figure presents coefficients that are significant at a level lower than 10%. The dependent takes the value of 1 if firms believe that the transition to a net-zero carbon future will have a negative impact, 2 if they do not perceive any impact and 3 if they see this transition as a positive development for their market demand and supply chain.

perceptions. Figure 5 corroborates the hypothesis: firms perceiving transition and physical risks as impacting their activities tend to report climate investments. Interestingly, firms that view the transition as an opportunity are more likely to invest in climate than those that view the transition negatively and those that do not feel vulnerable to physical risks.

**Figure 5. Share of firms investing in climate, according to their perception of climate risks (%)**

<table>
<thead>
<tr>
<th>Transition Risks</th>
<th>Positive Impact</th>
<th>Negative Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Demand</td>
<td>60</td>
<td>45</td>
<td>37</td>
</tr>
<tr>
<td>Supply Chain</td>
<td>59</td>
<td>36</td>
<td>42</td>
</tr>
<tr>
<td>Reputation</td>
<td>62</td>
<td>38</td>
<td>35</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Physical Risks</th>
<th>Positive Impact</th>
<th>Negative Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change</td>
<td>27</td>
<td>36</td>
<td>43</td>
</tr>
</tbody>
</table>

*Note: The base is all firms (data not shown for those who said don’t know/refused to answer).*

**Question:** Has your company already invested to tackle the impacts of weather events and reduction in carbon emissions? What impact, if any, will this transition to a reduction in carbon emissions have on your 1) market demand, 2) supply chain over the next five years? Thinking about climate change and the related changes in weather patterns, would you say these weather events currently have a major impact, a minor impact or no impact at all on your business?

*Source: EIBIS 2020*

### 3. European investments to tackle climate change are gaining momentum

Around 45% of EU firms report investments to address climate change, compared to 32% of US firms. Western and Northern Europe saw the largest share of firms investing in these measures, standing at 50% (Figure 6). This is followed by Southern Europe with 38% and Central and Eastern Europe with 32%. At the country level, differences are even more pronounced: Finnish (62%) and Dutch (58%) firms are at the forefront of climate investments, whereas only 23% of Cypriot, 19% of Irish and 18% of Greek firms make this kind of investment.

**Figure 6. Share of firms investing in climate-related measures to tackle climate change risks (% of firms)**

*Note: The base is all firms (data not shown for those who said don’t know/refused to answer).*
When it comes to specific investments in climate change, the push towards energy efficiency continues. Nearly half of firms in the European Union have invested in energy efficiency, rising by 10 percentage points to 47% in 2020 (Figure 7). This is slightly lower than the 50% of firms that invested in energy efficiency in the United States, which saw a similar jump from 2019. Firms in Western and Northern Europe invest the most (48%), followed by Southern, Central and Eastern Europe, standing at around 40%. Despite higher energy efficiency investments than in the previous year, Europe’s energy savings potential remains largely untapped given the energy and non-energy benefits that these entail2.

Figure 7. Share of firms investing in energy efficiency in the European Union, its Member States and the United States (%)

The share of investment spent on energy efficiency measures in the European Union increased to 12% between 2019 and 2020. By contrast, the proportion of investment spending on efficiency measures in the United States fell to 7% in 2020 (Figure 8). The share of firms’ total investment budget that goes to energy efficiency varies across the European Union. In 2020, firms in France spent more on energy efficiency projects (19%) than firms in any other EU country, especially those in Greece and Ireland, which invested only 6% of their investment budget. French firms also showed a significant increase in spending (9 percentage points) from the previous year. Firms’ spending also varied significantly across most EU countries, possibly because some energy efficiency investments only occur once. The share of investment spending on energy efficiency declined considerably in Southern Europe (such as Greece, Italy and Portugal) and in two countries in Western and Northern Europe (Austria and Sweden).

Note: The base is all firms (data not shown for those who said don’t know/refused).

Question: Has your company already invested to tackle the impacts of weather events and reduction in carbon emissions?
Source: EIBIS 2020

Kalantzis and Revoltella (2019) have shown that the likelihood of investing in energy efficiency measures increases by almost 10% after an energy audit. This impact is higher for energy efficiency investments in support processes compared to production processes.

2
Figure 8. Share of firms’ total investment in measures to improve energy efficiency (%)

Note: The base is all firms (data not shown for those who said don’t know/refused).
Question: What proportion of the total investment was primarily for measures to improve energy efficiency in your organisation?
Source: EIBIS 2020

Green management practices favour investments in energy efficiency. At least one in two firms with dedicated climate staff, climate targets and energy audits invested in energy efficiency measures compared to companies without these strategies (Figure 9). This suggests that firms more informed about their energy consumption and climate impact tend to include energy efficiency in their investment priorities.

Figure 9. Share of EU firms investing in energy efficiency: effect of green management practices (%)

Note: The base is all firms (data not shown for those who said don’t know/refused to answer).
Question: What proportion of the total investment was primarily for measures to improve energy efficiency in your organisation?
Source: EIBIS 2020
4. Barriers to climate-related investments: Uncertainty about regulation and taxation cited as the biggest threat

Uncertainty about regulation and taxation and investment costs are the biggest constraints to climate-related investments in the European Union. For each obstacle, EU firms consistently report higher barriers to climate investment than their US counterparts (Figure 10). Within the European Union, the most frequently cited obstacle is uncertainty about regulation and taxation (43%), followed by investment costs (41%). Uncertainty about regulation can delay or cancel investment decisions, as firms try to have the full picture of expected cost benefits before an investment. Firms also consider high upfront costs as a significant constraint despite their long-run returns. Availability of finance (27%) and availability of skilled staff (26%) were also often identified, followed by uncertainty about new technologies (25%) and uncertainty about the impact of climate change (24%).

**Figure 10. Obstacles to climate investment in the European Union and the United States (%)**

![Bar graph showing obstacles to climate investment in the EU and US](image)

*Note: The base is all firms (data not shown for those who said don’t know/refused to answer). Question: To what extent is the following an obstacle to investing in activities to tackle weather events and emissions reduction? Is it a major obstacle, minor obstacle or not an obstacle at all? Source: EIBIS 2020*

**Firms with a proactive outlook on climate investments encounter the most obstacles.** The probability of firms reporting investment obstacles is greater if firms plan to invest in the next three years, set climate targets, and say that the coronavirus pandemic has affected their investment plans negatively, and if they are located in Southern Europe compared to firms in Western and Northern Europe (Figure 11). Firms in Central and Eastern Europe are less likely to identify obstacles to climate investment than those in the south, and mostly focus on a lack of access to finance.

**There are also firm-specific characteristics that increase the likelihood of firms reporting different obstacles** (Figure 11). For instance, younger firms appear to be more concerned about a lack of access to finance and less about the uncertainty about future technologies. Meanwhile, profitable firms are less likely to cite investment costs and access to finance as investment obstacles. Firms in energy-intensive sectors tend to highlight the importance of the uncertainty about future technologies and climate impacts in their investment decisions.

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3 For the full analysis, please refer to the full EIB Investment Report 2020/2021: Building a smart and green Europe in the COVID-19 era, Chapter 5, pp. 186-190.
5. **The bottom line**

The outlook for climate-related investment continues to evolve despite the past year’s challenges with the COVID-19 pandemic. Some 45% of EU firms reported investing in climate, and even the share of firms reporting investments to improve energy efficiency increased compared to 2019 despite the COVID-19 setback. While European firms play an important role in ensuring a successful transition, collective efforts must continue for the European Union to remain on track with the Paris Agreement. To this end, institutions should continue supporting and providing incentives for climate investments.

**Investing in climate measures is vital to keep the momentum in the energy transition going, although there is room for improvement.** Energy-saving measures can significantly reduce emissions, and European firms are yet to exploit their entire untapped potential. Firms partially neglect their energy cost and environmental impact, as highlighted by the marked differences in climate investments subject to the climate-related actions within a firm, namely the practice of energy audits and the inclusion of climate staff and targets. In turn, the implementation of green management practices can be hindered by information asymmetries on associated benefits and costs, differences in organisational structure,
financial constraints and capital intensity. Overall, European climate spending depicts a fragmented picture, with Northern and Western Europe leading the way and Southern, Central and Eastern Europe lagging behind.

**Transition risks are the hardest to identify due to uncertainty about future policies and the long time horizon of their impacts.** EU firms recognise physical risks where these are the most observable, as shown by the differences in perception according to the region and sector in which they operate. Meanwhile, it appears that firms do not perceive transition risks to be as significant, which can be detrimental given the inevitable policy response from governments to become carbon neutral. This leaves firms with two options: either plan today and gain a competitive edge or risk losing ground to more forward-thinking competitors.

**Firms should better understand the consequences of the transition, and policymakers should provide more support in this process.** Neglecting transition risks can limit the willingness to invest in climate measures, threatening firms’ long-term viability and hindering the progress of EU climate objectives. At the same time, public institutions should strengthen their policy and regulatory framework to enhance firms’ awareness of the long-term benefits of climate action.

**Appropriate incentives should be implemented for businesses to be more forward-looking and allocate resources to climate spending.** National and supranational institutions should reduce the impact of identified obstacles and implement measures to encourage climate action. Climate legislation should also determine how the market rewards climate innovators and how it punishes laggards. Failing to do so in a timely fashion will lead companies to adopt a wait-and-see attitude, delaying much-needed investments and compromising Europe’s energy transition.

**In conclusion, recognising the interdependence of climate change policies and firm awareness may trigger a virtuous cycle, paving the way to a greener and more sustainable future for Europe.** Addressing climate change requires coordination between the private and public sectors, with national governments working alongside businesses to devise national adaptation plans. Similarly, the European Union and its Member States must continue their efforts to encourage governments and firms in non-EU countries to match their ambitious climate goals, reducing uncertainty about climate policies worldwide. In this context, the Recovery Fund could prove a formidable ally. The wealth of resources EU institutions have put in place to counter the negative impact of the pandemic presents an invaluable opportunity to address climate change. Availability of funds, together with a clear and well-designed regulatory framework, will certainly help the European Union to become a net-zero emissions economy by 2050.
### Annex 1: Questionnaire

<table>
<thead>
<tr>
<th>Category</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate-related investments</td>
<td>- Has your company already invested to tackle the impacts of weather events and reduction in carbon emissions?</td>
</tr>
<tr>
<td></td>
<td>- What proportion of the total investment was primarily for measures to improve energy efficiency in your organisation?</td>
</tr>
<tr>
<td></td>
<td>- Does your company plan to invest in the next three years to tackle the impacts of weather events and to deal with the process of reduction in carbon emissions?</td>
</tr>
<tr>
<td>Perception of climate risks</td>
<td>- Thinking about climate change and the related changes in weather patterns, would you say these weather events currently have a major impact, a minor impact or no impact at all on your business?</td>
</tr>
<tr>
<td></td>
<td>- What impact, if any, will this transition to a reduction in carbon emissions have on your 1) market demand, 2) supply chain over the next five years?</td>
</tr>
<tr>
<td>Obstacles to investment</td>
<td>- To what extent is the following an obstacle to investing in activities to tackle weather events and emissions reduction? Is it a major obstacle, minor obstacle or not an obstacle at all?</td>
</tr>
</tbody>
</table>
## Annex 2: Country scoreboard

<table>
<thead>
<tr>
<th>Country</th>
<th>Transition Impact</th>
<th>Perceptions to Climate Risk</th>
<th>Climate-related characteristics</th>
<th>Investments</th>
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</thead>
<tbody>
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<td></td>
<td>Physical impact</td>
<td>Energy costs concerns</td>
<td>Energy audit conducted</td>
<td>Set climate targets</td>
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<td>57%</td>
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<tr>
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<td>57%</td>
<td>37%</td>
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<td>69%</td>
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<tr>
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### Legend
- Positive
- Negative
- No impact

>75% 50%<=x<75 25%<=x<50 x<25

For the remaining categories:

- All: ▲ if the value has increased from 2019
- ▼ if the value has decreased from 2019

---

14  European firms and climate change 2020/2021: Evidence from the EIB Investment Survey
## Country scoreboard: SMEs

<table>
<thead>
<tr>
<th>Country</th>
<th>Demand</th>
<th>Supply Chain</th>
<th>Reputation</th>
<th>Physical Impact</th>
<th>Energy costs concerns</th>
<th>Energy audits conducted</th>
<th>Set climate targets</th>
<th>Dedicated climate staff</th>
<th>Invested to address climate risks</th>
<th>Plans to invest in climate change</th>
<th>Invested in energy efficiency (EE)</th>
<th>EE investments over total investments</th>
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</table>

**Legend**

- **Positive**
- **Negative**
- **No impact**

- ▼ if the value has increased from 2019
- ▲ if the value has decreased from 2019

---

European firms and climate change 2020/2021: Evidence from the EIB Investment Survey 15
## Country Scoreboard: Large Firms

<table>
<thead>
<tr>
<th>Country</th>
<th>Perceptions to Climate Risk</th>
<th>Climate-related Characteristics</th>
<th>Investments</th>
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<tbody>
<tr>
<td></td>
<td>Transition Impact</td>
<td>Energy costs concerns</td>
<td>Energy audit conducted</td>
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<td>Demand</td>
<td>Supply Chain</td>
<td>Reputation</td>
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<tr>
<td>UK</td>
<td>54%</td>
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### Legend

- Positive
- Negative
- No impact

### Scale

- ▲: 50% ≤ x ≤ 75%
- ▲: 25% ≤ x ≤ 50%
- ▲: x ≤ 25%

### For the remaining categories:

- ▲: > 75%
- ▲: 50% ≤ x ≤ 75%
- ▲: 25% ≤ x ≤ 50%
- ▲: x ≤ 25%

### Notes

- ▲: if the value has increased from 2019
- ▲: if the value has decreased from 2019

---

16 European firms and climate change 2020/2021: Evidence from the EIB Investment Survey
Annex 3: Country dashboards
The share of Austrian firms perceiving physical and transition risks is broadly in line with the EU. Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.

The share of firms investing or planning to invest to tackle climate risks is higher than the EU average.

Uncertainty about taxation and regulation is the most cited obstacle hindering investment in measures to fight climate change.

### Highlights

- **Impact of Climate Change on Business Operations**
  - Investment over total investments
  - Energy efficiency (EE) investment

- **Transition Impact on Demand**
  - Minor, Positive, Negative

- **Transition Impact on Supply Chain**
  - Major, Minor, Positive, Negative

- **Transition Impact on Reputation**
  - Major, Minor, Positive, Negative

### To what extent do firms implement green management practices?

- **34%** of firms have set climate targets (Lower than the **41%** EU average)
- **29%** of firms have dedicated climate staff (Higher than the **23%** EU average)
- **50%** have energy costs concerns
- **54%** have conducted an energy audit

### Performance at a glance

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Share of firms investing or planning to invest in climate</td>
<td>- Climate targets</td>
</tr>
<tr>
<td>- Climate staff</td>
<td></td>
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</tbody>
</table>

### To what extent do firms respond to the climate emergency and what obstacles do they face?

- **51%** of firms have set climate targets
- **45%** have dedicated climate staff
- **44%** have investment costs
- **49%** have uncertainty about technologies
- **10%** have uncertainty about climate impacts
- **12%** have access to finance
- **41%** have access to staff availability

<table>
<thead>
<tr>
<th>Investment costs</th>
<th>Uncertainty about technology</th>
<th>Uncertainty about climate impacts</th>
<th>Access to finance</th>
<th>Staff availability</th>
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<td><strong>Investment costs</strong></td>
<td><strong>Uncertainty about technology</strong></td>
<td><strong>Uncertainty about climate impacts</strong></td>
<td><strong>Access to finance</strong></td>
<td><strong>Staff availability</strong></td>
</tr>
</tbody>
</table>

- **EE investment over total investments**
  - Austria
  - EU
- **Plan to invest to tackle climate change**
  - Austria
  - EU
- **Invested in energy efficiency (EE)**
  - Austria
  - EU
- **Invested to tackle climate risks**
  - Austria
  - EU
- **Plan to invest to tackle climate change**
  - Austria
  - EU
Belgium

Highlights

- The share of Belgian firms perceiving physical risks is lower than the EU average, while it is higher for most transition risks.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is higher than the EU average.
- Uncertainty about taxation and regulation is the most cited obstacle hindering investment in measures to fight climate change.

Performance at a glance

Pros

- Share of firms investing or planning to invest in climate
- Climate targets
- Climate staff

Cons

- Share of firms investing in energy efficiency
- Energy audits

How do firms (%) perceive climate change impacts on their business operations?

To what extent do firms implement green management practices?

48% of firms have set climate targets

Higher than the 41% EU average

29% of firms have dedicated climate staff

Higher than the 23% EU average

54% have energy costs concerns*

45% have conducted an energy audit**

*Lower than the 57% EU average
**Lower than the 55% EU average

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Invested to tackle climate risks
- Plan to invest to tackle climate change
- Invested in energy efficiency (EE)
- EE investment over total investments

Uncertainty about taxation and regulation

Investment costs

Uncertainty about technologies

Staff availability

Higher than the 41% EU average

Higher than the 23% EU average

Lower than the 57% EU average

Lower than the 55% EU average

0 10 20 30 40 50 60

48 41 23 29 54 45 8 8

Belgium EU Belgium EU Belgium EU Belgium EU
Bulgaria

Highlights

- The share of Bulgarian firms perceiving transition risks and physical risks is lower than the EU average.
- Most firms consider the transition will positively impact their reputation. Those acknowledging transition risks have balanced views on whether the impact will be positive or negative for their demand and supply chain.

- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.

- Firms are less aware of climate risks and report fewer obstacles to investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

Performance at a glance

Pros

- Share of firms investing or planning to invest in climate
- Climate targets
- Climate staff
- Energy audits

Cons

- Share of firms investing or planning to invest in climate
- Climate targets
- Climate staff
- Energy audits

How do firms (%) perceive climate change impacts on their business operations?

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<th>Bulgaria</th>
<th>EU</th>
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<td>31</td>
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<table>
<thead>
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<th>Transition Impact on Supply Chain</th>
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<table>
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<th>Transition Impact on Reputation</th>
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</table>

To what extent do firms implement green management practices?

- 25% of firms have set climate targets
  - Lower than the 41% EU average

- 10% of firms have dedicated climate staff
  - Lower than the 23% EU average

- 57% have energy costs concerns*
  - In line with the 57% EU average

- 37% have conducted an energy audit**
  - Lower than the 55% EU average

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Invested to tackle climate risks
  - Bulgaria: 28
  - EU: 45
- Plan to invest to tackle climate change
  - Bulgaria: 31
  - EU: 41
- Invested in energy efficiency (EE)
  - Bulgaria: 37
  - EU: 47
- EE investment over total investments
  - Bulgaria: 15
  - EU: 12

Obstacles:
- Uncertainty about taxation and regulation
- Investment costs
- Uncertainty about technologies
- Access to finance
- Staff availability
European firms and climate change 2020/2021: Evidence from the EIB Investment Survey

Croatia

Highlights

- The **share of Croatian firms** perceiving **physical risks** is **higher** than the EU average, while it is lower in terms of transition risks.
  - Most firms consider the transition will **positively impact their demand and reputation**. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The **share of firms investing or planning to invest** to tackle climate risks is **lower** than the EU average.
- Firms report fewer obstacles to climate investments than the EU average, with **uncertainty about taxation and regulation** cited most frequently.

![Image of a bar chart showing the impact of climate change on business operations.](chart)

**How do firms (%) perceive climate change impacts on their business operations?**

<table>
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<tr>
<th>Impact of Climate Change on Business Operations</th>
<th>Croatia</th>
<th>EU</th>
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<td></td>
<td>23</td>
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<table>
<thead>
<tr>
<th>Transition Impact on Demand</th>
<th>Croatia</th>
<th>EU</th>
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<td>11</td>
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<tr>
<th>Transition Impact on Supply Chain</th>
<th>Croatia</th>
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<table>
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<tr>
<th>Transition Impact on Reputation</th>
<th>Croatia</th>
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<table>
<thead>
<tr>
<th>Investing to tackle climate risks</th>
<th>Croatia</th>
<th>EU</th>
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<tr>
<td>26</td>
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<table>
<thead>
<tr>
<th>Plan to invest to tackle climate change</th>
<th>Croatia</th>
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<td>41</td>
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<thead>
<tr>
<th>Invested in energy efficiency (EE)</th>
<th>Croatia</th>
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<tr>
<th>EE investment over total investments</th>
<th>Croatia</th>
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<td>9</td>
<td>12</td>
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</table>

To what extent do firms implement green management practices?

- **32%** of firms have set **climate targets**.
  - Lower than the **41%** EU average.

- **16%** of firms have dedicated **climate staff**.
  - Lower than the **23%** EU average.

- **69%** have **energy costs concerns**.
  - *Higher than the 57% EU average*

- **63%** have conducted an **energy audit**.
  - **Higher than the 55% EU average**

Performance at a glance

**Pros**
- Energy audits
- Fewer obstacles to investment

**Cons**
- Share of firms investing in climate and energy efficiency
- Climate targets
- Climate staff
- Energy costs concerns

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Uncertainty about taxation and regulation
- Access to finance
- Uncertainty about climate impacts
- Investment costs
- Uncertainty about technologies
- Staff availability

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<th>Invested to tackle climate risks</th>
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Cyprus

Highlights

- The share of Cypriot firms perceiving physical risks is higher than the EU average, while it is lower for most transition risks.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their demand and supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Firms report fewer obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th></th>
<th>Cyprus</th>
<th>EU</th>
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<tbody>
<tr>
<td>Impact of Climate Change on Business Operations</td>
<td>41</td>
<td>35</td>
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<tr>
<td>Transition Impact on Demand</td>
<td>26</td>
<td>14</td>
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<tr>
<td>Transition Impact on Supply Chain</td>
<td>26</td>
<td>20</td>
</tr>
<tr>
<td>Transition Impact on Reputation</td>
<td>25</td>
<td>17</td>
</tr>
</tbody>
</table>

Performance at a glance

Pros
- Share of firms investing or planning to invest in climate and energy efficiency
- Climate targets
- Energy costs concerns

Cons
- Share of firms investing or planning to invest in climate and energy efficiency
- Climate targets
- Energy costs concerns

To what extent do firms implement green management practices?

- 29% of firms have set climate targets
  - Lower than the 41% EU average
- 24% of firms have dedicated climate staff
  - Higher than the 23% EU average
- 88% have energy costs concerns*
- 53% have conducted an energy audit**
  *Higher than the 57% EU average
  **Lower than the 55% EU average

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Invested to tackle climate risks
  - Cyprus: 23%
  - EU: 45%
- Plan to invest to tackle climate change
  - Cyprus: 35%
  - EU: 41%
- Invested in energy efficiency (EE)
  - Cyprus: 38%
  - EU: 47%
- EE investment over total investments
  - Cyprus: 13%
  - EU: 12%
- Access to finance
  - Cyprus: 80%
  - EU: 70%
- Uncertainty about climate impacts
  - Cyprus: 60%
  - EU: 40%
- Uncertainty about taxation and regulation
  - Cyprus: 80%
  - EU: 70%
- Staff availability
  - Cyprus: 60%
  - EU: 40%
- Investment costs
  - Cyprus: 80%
  - EU: 70%
- Uncertainty about technologies
  - Cyprus: 60%
  - EU: 40%
Czech Republic

**Highlights**
- The share of Czech firms perceiving physical and transition risks is lower than the EU average.
  - Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Firms are less aware of climate risks and report fewer obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

**Performance at a glance**

**Pros**
- Climate targets

**Cons**
- Share of firms investing or planning to invest in climate and energy efficiency
- Climate staff

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**How do firms (%) perceive climate change impacts on their business operations?**

<table>
<thead>
<tr>
<th>Impact of Climate Change on Business Operations</th>
<th>Czech Republic</th>
<th>EU</th>
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<tbody>
<tr>
<td>14 (%)</td>
<td>37 (%)</td>
<td>23</td>
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<table>
<thead>
<tr>
<th>Transition Impact on Demand</th>
<th>Czech Republic</th>
<th>EU</th>
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<tr>
<td>15 (%)</td>
<td>34 (%)</td>
<td>16</td>
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<table>
<thead>
<tr>
<th>Transition Impact on Supply Chain</th>
<th>Czech Republic</th>
<th>EU</th>
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<tr>
<td>21 (%)</td>
<td>8 (%)</td>
<td>17</td>
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<table>
<thead>
<tr>
<th>Transition Impact on Reputation</th>
<th>Czech Republic</th>
<th>EU</th>
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<tr>
<td>6 (%)</td>
<td>15 (%)</td>
<td>16</td>
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**To what extent do firms implement green management practices?**

- **45%** of firms have set climate targets
  - Higher than the **41%** EU average
- **13%** of firms have dedicated climate staff
  - Lower than the **23%** EU average
- **60%** have energy costs concerns*
- **54%** have conducted an energy audit**
  - *Higher than the **57%** EU average
  - **Lower than the **55%** EU average

---

**To what extent do firms (%) respond to the climate emergency and what obstacles do they face?**

- **Invested to tackle climate risks**
- **Plan to invest to tackle climate change**
- **Invested in energy efficiency (EE)**
- **EE investment over total investments**

---

European firms and climate change 2020/2021: Evidence from the EIB Investment Survey  23
The share of Danish firms perceiving most transition risks is higher than the EU average, while it is lower in terms of physical risks.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is higher than the EU average.
- Firms report fewer obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

### How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Impact of Climate Change on Business Operations</th>
<th>Denmark</th>
<th>EU</th>
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<td>Impact</td>
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<th>Transition Impact on Demand</th>
<th>Denmark</th>
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<th>Transition Impact on Supply Chain</th>
<th>Denmark</th>
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<th>Denmark</th>
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<td>Impact</td>
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</table>

Highlight: The share of Danish firms perceiving most transition risks is higher than the EU average, while it is lower in terms of physical risks.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is higher than the EU average.
- Firms report fewer obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

### Performance at a glance

**Pros**
- Share of firms investing or planning to invest in climate
- Climate targets
- Energy cost concerns

**Cons**

### To what extent do firms implement green management practices?

- **47%** of firms have set climate targets
  - Higher than the **41%** EU average

- **28%** of firms have dedicated climate staff
  - Higher than the **23%** EU average

- **32%** have energy costs concerns
  - *Lower than the 57% EU average*

- **55%** have conducted an energy audit
  - **In line with the 55% EU average**

### To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- **Invested to tackle climate risks**
  - Denmark: 50%
  - EU: 45%

- **Plan to invest to tackle climate change**
  - Denmark: 48%
  - EU: 41%

- **Invested in energy efficiency (EE)**
  - Denmark: 51%
  - EU: 47%

- **EE investment over total investments**
  - Denmark: 10%
  - EU: 12%

Obstacles:
- Access to finance
- Uncertainty about climate impacts
- Uncertainty about taxation and regulation
- Uncertainty about technologies
- Investment costs
- Staff availability

**Uncertainty about taxation and regulation**

- Denmark: 65%
- EU: 30%
The share of Estonian firms perceiving physical risks is higher than the EU average, while it is lower in terms of transition risks.
- Most firms consider the transition will positively impact their reputation. Those acknowledging transition risks consider it will impact their demand and supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Firms report fewer obstacles to climate investments than the EU average, with staff availability cited most frequently.

### Highlights

- The share of Estonian firms perceiving physical risks is higher than the EU average, while it is lower in terms of transition risks.
- Most firms consider the transition will positively impact their reputation. Those acknowledging transition risks consider it will impact their demand and supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Firms report fewer obstacles to climate investments than the EU average, with staff availability cited most frequently.

### How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Impact of Climate Change on Business Operations</th>
<th>Transition Impact on Demand</th>
<th>Transition Impact on Supply Chain</th>
<th>Transition Impact on Reputation</th>
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<td>25</td>
<td>25</td>
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<td>8</td>
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### Performance at a glance

**Pros**
- Energy costs concerns

**Cons**
- Share of firms investing or planning to invest in climate
- Climate targets
- Climate staff
- Energy audits

### To what extent do firms implement green management practices?

- **14%** of firms have set climate targets
- **9%** of firms have dedicated climate staff
- **41%** have energy costs concerns*
- **38%** have conducted an energy audit**

*Lower than the 57% EU average
**Lower than the 55% EU average

### To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- **Uncertainty about taxation and regulation**: 65%
- **Access to finance**: 50%
- **Investment costs**: 35%
- **Uncertainty about technologies**: 20%
- **Staff availability**: 12%

- **Invested to tackle climate risks**
- **Plan to invest to tackle climate change**
- **Invested in energy efficiency (EE)**
- **EE investment over total investments**
Finland

**Highlights**

- The share of Finnish firms perceiving physical and most transition risks is higher than the EU average.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is higher than the EU average.
- Investment costs is the most cited obstacle hindering investment in measures to fight climate change.

**Performance at a glance**

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
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<tbody>
<tr>
<td>Share of firms investing or planning to invest in climate</td>
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<tr>
<td>Climate targets</td>
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<td>Climate staff</td>
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<td>Energy audits</td>
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**To what extent do firms (%) implement green management practices?**

- 50% of firms have set climate targets. Higher than the 41% EU average.
- 30% of firms have dedicated climate staff. Higher than the 23% EU average.
- 42% have energy costs concerns. *Lower than the 57% EU average.
- 65% have conducted an energy audit. **Higher than the 55% EU average.

**To what extent do firms (%) respond to the climate emergency and what obstacles do they face?**

- Invested to tackle climate risks: 62% (Finland) vs 52% (EU)
- Plan to invest to tackle climate change: 47% (Finland) vs 41% (EU)
- Invested in energy efficiency (EE): 58% (Finland) vs 45% (EU)
- EE investment over total investments: 12% (Finland) vs 10% (EU)

- Uncertainty about taxation and regulation
- Access to finance
- Uncertainty about climate impacts
- Staff availability
- Investment costs
- Uncertainty about technologies

- Higher than the 41% EU average
- Higher than the 23% EU average
- Lower than the 57% EU average
- Higher than the 55% EU average
Highlights

- The share of French firms perceiving physical and transition risks is higher than the EU average.
  - Most firms acknowledging transition risks consider it will impact their demand, supply chain and reputation positively.
- The share of firms investing to tackle climate risks is higher than the EU average.
- Investment costs are the most cited obstacle hindering investment in measures to fight climate change.

France

To what extent do firms implement green management practices?

- 50% of firms have set climate targets (Higher than the 41% EU average)
- 19% of firms have dedicated climate staff (Lower than the 23% EU average)
- 39% have energy costs concerns*
  - *Lower than the 57% EU average
- 58% have conducted an energy audit**
  - **Higher than the 55% EU average

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Invested to tackle climate risks
- Plan to invest to tackle climate change
- Invested in energy efficiency (EE)
- EE investment over total investments

Performance at a glance

Pros
- Share of firms investing in climate and energy efficiency
- Climate targets
- Energy costs concerns

Cons
- Share of firms planning to invest in climate

Germany

**Highlights**

- The share of German firms perceiving physical and transition risks is lower than the EU average.
  - Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is higher than the EU average.
- Firms report more obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

**Impact of Climate Change on Business Operations**

- **Impact of Climate Change on Demand**
  - Germany: Major - 16, Minor - 25, Positive - 34, Negative - 35
  - EU: Major - 15, Minor - 27, Positive - 30, Negative - 38
- **Impact of Climate Change on Supply Chain**
  - Germany: Major - 17, Minor - 25, Positive - 34, Negative - 35
  - EU: Major - 17, Minor - 30, Positive - 30, Negative - 38
- **Impact of Climate Change on Reputation**
  - Germany: Major - 8, Minor - 9, Positive - 30, Negative - 38
  - EU: Major - 12, Minor - 30, Positive - 29, Negative - 38

**Performance at a glance**

**Pros**
- Share of firms investing or planning to invest in climate and energy efficiency
- Climate staff
- Energy audits

**Cons**
- More perception of obstacles to investment
- Climate targets
- Energy costs concerns

**To what extent do firms implement green management practices?**

- **38%** of firms have set climate targets
  - Lower than the **41%** EU average
- **29%** of firms have dedicated climate staff
  - Higher than the **23%** EU average
- **64%** have energy costs concerns*
  - Higher than the **57%** EU average
- **62%** have conducted an energy audit**
  - Higher than the **55%** EU average

**To what extent do firms respond to the climate emergency and what obstacles do they face?**

### Obstacles

- Access to finance
- Uncertainty about climate impacts
- Uncertainty about technologies
- Investment costs
- Staff availability

### Investment over total investments

- Invested to tackle climate risks
- Plan to invest to tackle climate change
- Invested in energy efficiency (EE)
- EE investment over total investments

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<thead>
<tr>
<th></th>
<th>Germany</th>
<th>EU</th>
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<tbody>
<tr>
<td>Invested to tackle climate risks</td>
<td>12%</td>
<td>12%</td>
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<tr>
<td>Plan to invest to tackle climate change</td>
<td>12%</td>
<td>12%</td>
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<tr>
<td>Invested in energy efficiency (EE)</td>
<td>12%</td>
<td>12%</td>
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<td>EE investment over total investments</td>
<td>12%</td>
<td>12%</td>
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*Higher than the **57%** EU average
**Higher than the **55%** EU average
European firms and climate change 2020/2021: Evidence from the EIB Investment Survey

### Highlights

- The *share of Greek firms* perceiving physical and transition risks is lower than the EU average.
  - Most firms consider the transition will *positively impact* their reputation. Those acknowledging transition risks consider it will impact their demand and supply chain negatively.
- The *share of firms investing or planning to invest* to tackle climate risks is lower than the EU average.
- Firms are less aware of climate risks and report fewer obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

### Performance at a glance

**Pros**
- Energy audits

**Cons**
- Share of firms investing or planning to invest in climate
- Climate targets
- Climate staff
- Energy costs concerns

### How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Impact of Climate Change on Business Operations</th>
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<tr>
<th>Transition Impact on Supply Chain</th>
<th>Greece</th>
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<tr>
<th>Transition Impact on Reputation</th>
<th>Greece</th>
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</table>

### To what extent do firms (%) implement green management practices?

- **19%** of firms have set climate targets
  - Lower than the **41%** EU average

- **17%** of firms have dedicated climate staff
  - Lower than the **23%** EU average

- **69%** have energy costs concerns*
- **57%** have conducted an energy audit**

*Higher than the **57%** EU average
**Higher than the **55%** EU average

### To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- **Invested to tackle climate risks**
- **Plan to invest to tackle climate change**
- **Invested in energy efficiency (EE)**
- **EE investment over total investments**

### Performance of energy audits

- **70%** of firms have conducted an energy audit
- **60%** have energy costs concerns

The share of Hungarian firms perceiving physical risks is broadly in line with the EU, while it is lower in terms of transition risks.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.

The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.

Firms report fewer obstacles to climate investments than the EU average, with investment costs cited most frequently.

### Highlights

- **Impact of Climate Change on Business Operations**
  - Hungary: 16%, EU: 23%
  - Hungary: 14%, EU: 18%
  - Hungary: 10%, EU: 17%

- **Transition Impact on Demand**
  - Hungary: 25%, EU: 25%

- **Transition Impact on Supply Chain**
  - Hungary: 7%, EU: 8%

- **Transition Impact on Reputation**
  - Hungary: 15%, EU: 23%

### Performance at a glance

**Pros**
- Climate targets
- Energy audits
- Energy costs concerns
- Fewer perceived obstacles to investment

**Cons**
- Share of firms investing in climate and energy efficiency

### To what extent do firms implement green management practices?

- **50%** of firms have set climate targets (Higher than the 41% EU average)
- **15%** of firms have dedicated climate staff (Lower than the 23% EU average)
- **44%** have energy costs concerns* (Lower than the 57% EU average)
- **63%** have conducted an energy audit** (Higher than the 55% EU average)

### To what extent do firms respond to the climate emergency and what obstacles do they face?

- **Uncertainty about taxation and regulation**
- **Access to finance**
- **Investment costs**
- **Uncertainty about technologies**
- **Staff availability**

- **Invested to tackle climate risks**
  - Hungary: 27%, EU: 45%

- **Plan to invest to tackle climate change**
  - Hungary: 39%, EU: 41%

- **Invested in energy efficiency (EE)**
  - Hungary: 41%, EU: 47%

- **EE investment over total investments**
  - Hungary: 11%, EU: 12%

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30 European firms and climate change 2020/2021: Evidence from the EIB Investment Survey
The share of Irish firms perceiving physical risks is broadly in line with the EU, while it is lower for most transition risks.

- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.

- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.

- Uncertainty about climate impacts is the most cited obstacle hindering investment in measures to fight climate change.

### How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Ireland</th>
<th>EU</th>
<th>Ireland</th>
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<th>Ireland</th>
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<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact of Climate Change on Business Operations</td>
<td>43</td>
<td>35</td>
<td>24</td>
<td>15</td>
<td>13</td>
<td>17</td>
<td>6</td>
</tr>
<tr>
<td>Transition Impact on Demand</td>
<td>21</td>
<td>15</td>
<td>34</td>
<td>17</td>
<td>36</td>
<td>41</td>
<td>8</td>
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<tr>
<td>Transition Impact on Supply Chain</td>
<td>13</td>
<td>17</td>
<td>25</td>
<td>17</td>
<td>41</td>
<td>25</td>
<td>29</td>
</tr>
<tr>
<td>Transition Impact on Reputation</td>
<td>14</td>
<td>23</td>
<td>21</td>
<td>15</td>
<td>41</td>
<td>29</td>
<td>21</td>
</tr>
</tbody>
</table>

### Performance at a glance

**Pros**
- Share of firms investing or planning to invest in climate and energy efficiency
- Climate targets
- Climate staff
- Energy audits

**Cons**

### To what extent do firms implement green management practices?

- 19% of firms have set climate targets. Lower than the 41% EU average.
- 10% of firms have dedicated climate staff. Lower than the 23% EU average.
- 66% have energy costs concerns*. Higher than the 57% EU average.
- 36% have conducted an energy audit**. Lower than the 55% EU average.

### To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Staff availability
- Access to finance
- Uncertainty about taxation and regulation
- Investment costs
- Uncertainty about technologies

- Uncertainty about climate impacts

- Energy costs concerns*

- Energy audit**

- Investment over total investments

- Energy efficiency (EE)
Italy

Highlights

- The share of Italian firms perceiving physical risks is higher than the EU average, while it is lower for most transition risks.

- Most firms acknowledging transition risks consider it will impact their demand, supply chain and reputation positively.

- The share of firms investing to tackle climate risks is lower than the EU average despite a larger share of firms planning to invest in the future.

- Firms report more obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th></th>
<th>Major</th>
<th>Minor</th>
<th>Positive</th>
<th>Negative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>40</td>
<td>23</td>
<td>13</td>
<td>15</td>
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<tr>
<td>EU</td>
<td>35</td>
<td>23</td>
<td>15</td>
<td>8</td>
</tr>
<tr>
<td>Italy</td>
<td>34</td>
<td>20</td>
<td>17</td>
<td>25</td>
</tr>
<tr>
<td>EU</td>
<td>35</td>
<td>20</td>
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<td>25</td>
</tr>
<tr>
<td>Italy</td>
<td>25</td>
<td>17</td>
<td>25</td>
<td>55</td>
</tr>
<tr>
<td>EU</td>
<td>35</td>
<td>20</td>
<td>17</td>
<td>25</td>
</tr>
</tbody>
</table>

To what extent do firms implement green management practices?

- 37% of firms have set climate targets, lower than the 41% EU average.

- 7% of firms have dedicated climate staff, lower than the 23% EU average.

Performance at a glance

Pros

- Share of firms planning to invest in climate

Cons

- Share of firms investing in climate and energy efficiency
- Climate staff
- Energy costs concerns
- Energy audits

69% have energy costs concerns*
46% have conducted an energy audit**

*Higher than the 57% EU average
**Lower than the 55% EU average

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Invested to tackle climate risks: Italy 42%, EU 45%
- Plan to invest to tackle climate change: Italy 43%, EU 41%
- Invested in energy efficiency (EE): Italy 37%, EU 47%
- EE investment over total investments: Italy 8%, EU 12%

- Access to finance
- Uncertainty about taxation and regulation
- Investment costs
- Uncertainty about technologies
- Staff availability

32 European firms and climate change 2020/2021: Evidence from the EIB Investment Survey
The share of Latvian firms perceiving physical risks is higher than the EU average, while it is lower in terms of transition risks. Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.

The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.

Firms report more obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

### Performance at a glance

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Share of firms investing or planning to invest in climate</td>
<td>• Climate targets</td>
</tr>
<tr>
<td>• Climate staff</td>
<td>• Energy costs concerns</td>
</tr>
</tbody>
</table>

### Highlights

- The share of Latvian firms perceiving physical risks is higher than the EU average, while it is lower in terms of transition risks.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Firms report more obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

### How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Impact of Climate Change on Business Operations</th>
<th>Latvia</th>
<th>EU</th>
<th>Latvia</th>
<th>EU</th>
<th>Latvia</th>
<th>EU</th>
<th>Latvia</th>
<th>EU</th>
<th>Latvia</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transition Impact on Demand</td>
<td>18</td>
<td>23</td>
<td>24</td>
<td>34</td>
<td>12</td>
<td>17</td>
<td>22</td>
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<td>18</td>
<td>35</td>
</tr>
<tr>
<td>Transition Impact on Supply Chain</td>
<td>15</td>
<td>34</td>
<td>38</td>
<td>46</td>
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<td>38</td>
<td>25</td>
<td>35</td>
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<td>35</td>
</tr>
<tr>
<td>Transition Impact on Reputation</td>
<td>3</td>
<td>35</td>
<td>21</td>
<td>28</td>
<td>3</td>
<td>35</td>
<td>21</td>
<td>28</td>
<td>3</td>
<td>35</td>
</tr>
</tbody>
</table>

### To what extent do firms implement green management practices?

- **25%** of firms have set climate targets (Lower than the 41% EU average)
- **9%** of firms have dedicated climate staff (Lower than the 23% EU average)
- **79%** have energy costs concerns* (Higher than the 57% EU average)
- **56%** have conducted an energy audit** (Higher than the 55% EU average)

### To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- **Invested to tackle climate risks:** Latvia: 33%, EU: 45%
- **Plan to invest to tackle climate change:** Latvia: 32%, EU: 41%
- **Invested in energy efficiency (EE):** Latvia: 46%, EU: 47%
- **EE investment over total investments:** Latvia: 12%, EU: 12%

- **Uncertainty about taxation and regulation:** Latvia: 80%, EU: 70%
- **Access to finance:** Latvia: 60%, EU: 50%
- **Uncertainty about technologies:** Latvia: 50%, EU: 40%
- **Staff availability:** Latvia: 60%, EU: 50%
- **Investment costs:** Latvia: 40%, EU: 30%
The share of Lithuanian firms perceiving physical risks is higher than the EU average, while it is lower in terms of transition risks.

- Most firms consider the transition will positively impact their reputation and have a balanced view on the impact on demand. Those acknowledging transition risks consider it will impact their supply chain negatively.

- The share of firms investing to tackle climate risks is lower than the EU average despite a larger share of firms planning to invest in the future.

Investment costs are the most cited obstacle hindering investment in measures to fight climate change.

### Performance at a glance

**Pros**
- Share of firms planning to invest in climate
- Energy costs concerns

**Cons**
- Share of firms investing in climate and energy efficiency
- Climate targets
- Climate staff
- Energy audits

### How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Lithuania</th>
<th>EU</th>
<th>Lithuania</th>
<th>EU</th>
<th>Lithuania</th>
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<th>Lithuania</th>
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</thead>
<tbody>
<tr>
<td>Impact of Climate Change on Business Operations</td>
<td>43</td>
<td>35</td>
<td>17</td>
<td>23</td>
<td>19</td>
<td>20</td>
<td>15</td>
</tr>
</tbody>
</table>

### To what extent do firms implement green management practices?

18% of firms have set climate targets

- Lower than the 41% EU average

11% of firms have dedicated climate staff

- Lower than the 23% EU average

53% have energy costs concerns*

- Lower than the 57% EU average

40% have conducted an energy audit**

- Lower than the 55% EU average

### To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Invested to tackle climate risks
- Plan to invest to tackle climate change
- Invested in energy efficiency (EE)
- EE investment over total investments

- Uncertainty about taxation and regulation
- Access to finance
- Uncertainty about climate impacts
- Staff availability
- Investment costs
- Uncertainty about technologies

<table>
<thead>
<tr>
<th>Lithuania</th>
<th>EU</th>
<th>Lithuania</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invested to tackle climate risks</td>
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<td>45</td>
<td>43</td>
</tr>
<tr>
<td>Plan to invest to tackle climate change</td>
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<td>47</td>
<td>7</td>
</tr>
<tr>
<td>Invested in energy efficiency (EE)</td>
<td>30</td>
<td>45</td>
<td>43</td>
</tr>
<tr>
<td>EE investment over total investments</td>
<td>26</td>
<td>47</td>
<td>7</td>
</tr>
</tbody>
</table>

**Legend**
- Major
- Minor
- Positive
- Negative

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European firms and climate change 2020/2021: Evidence from the EIB Investment Survey
The share of Luxembourg firms perceiving physical risks is lower than the EU average, while it is higher in terms of transition risks. Most firms consider the transition will positively impact their demand and reputation, Those acknowledging transition risks consider it will impact their supply chain negatively. The share of firms investing or planning to invest to tackle climate risks is lower than the EU average. Uncertainty about taxation and regulation is the most cited obstacle hindering investment in measures to fight climate change.

**Highlights**

<table>
<thead>
<tr>
<th>Impact of Climate Change on Business Operations</th>
<th>Luxembourg</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical risks</td>
<td>9</td>
<td>23</td>
</tr>
<tr>
<td>Transition risks</td>
<td>44</td>
<td>35</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Demand</th>
<th>Luxembourg</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand</td>
<td>15</td>
<td>34</td>
</tr>
<tr>
<td>Supply Chain</td>
<td>25</td>
<td>15</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Supply Chain</th>
<th>Luxembourg</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demand</td>
<td>35</td>
<td>13</td>
</tr>
<tr>
<td>Supply Chain</td>
<td>25</td>
<td>17</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Reputation</th>
<th>Luxembourg</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>11</td>
<td>40</td>
</tr>
<tr>
<td>Negative</td>
<td>8</td>
<td>38</td>
</tr>
</tbody>
</table>

**Performance at a glance**

**Pros**
- Share of firms investing in energy efficiency
- Energy costs concerns

**Cons**
- Share of firms investing in climate
- Climate targets
- Climate staff
- Energy audits

**To what extent do firms implement green management practices?**

- 34% of firms have set climate targets (Lower than the 41% EU average)
- 18% have dedicated climate staff (Lower than the 23% EU average)

- 49% have energy costs concerns (Lower than the 57% EU average)
- 39% have conducted an energy audit (Lower than the 55% EU average)

**To what extent do firms (%) respond to the climate emergency and what obstacles do they face?**

- Invested to tackle climate risks: Luxembourg 37%, EU 45%
- Plan to invest to tackle climate change: Luxembourg 40%, EU 41%
- Invested in energy efficiency (EE): Luxembourg 16%, EU 12%
- EE investment over total investments: Luxembourg 37%
Malta

Highlights

- The share of Maltese firms perceiving physical and transition risks is lower than the EU average.
  - Those firms acknowledging transition risks consider it will impact their demand, supply chain and reputation positively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Investment costs are the most cited obstacle hindering investment in measures to fight climate change.

How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Impact of Climate Change on Business Operations</th>
<th>Malta</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact on Demand</td>
<td>34%</td>
<td>9%</td>
</tr>
<tr>
<td>Transition Impact on Supply Chain</td>
<td>23%</td>
<td>24%</td>
</tr>
<tr>
<td>Transition Impact on Reputation</td>
<td>17%</td>
<td>15%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Malta</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major</td>
<td>Minor</td>
</tr>
<tr>
<td>34</td>
<td>35</td>
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<td>15</td>
<td>24</td>
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<tr>
<td>25</td>
<td>17</td>
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</tbody>
</table>

Performance at a glance

Pros
- Share of firms investing or planning to invest in climate
- Climate targets
- Energy costs concerns
- Energy audits

Cons
- Access to finance
- Uncertainty about taxation and regulation
- Uncertainty about technologies
- Staff availability
- Investment costs

To what extent do firms (%) implement green management practices?

- 30% of firms have set climate targets
  - Lower than the 41% EU average
- 17% of firms have dedicated climate staff
  - Lower than the 23% EU average
- 65% have energy costs concerns*
- 36% have conducted an energy audit**
  - *Higher than the 57% EU average
  - **Lower than the 55% EU average

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Invested to tackle climate risks
- Plan to invest to tackle climate change
- Invested in energy efficiency (EE)
- EE investment over total investments
- Uncertainty about taxation and regulation
- Access to finance
- Uncertainty about technologies
- Staff availability
- Investment costs

36\% 
European firms and climate change 2020/2021: Evidence from the EIB Investment Survey
The share of Dutch firms perceiving physical and transition risks is lower than the EU average.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Firms report fewer obstacles to climate investments than the EU average, with investment costs cited most frequently.

### Highlights

- The share of Dutch firms perceiving physical and transition risks is lower than the EU average.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Firms report fewer obstacles to climate investments than the EU average, with investment costs cited most frequently.

### Performance at a glance

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Share of firms investing in climate</td>
<td>• Climate targets</td>
</tr>
<tr>
<td>• Climate staff</td>
<td>• Energy audits</td>
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<tr>
<td>• Energy costs concerns</td>
<td></td>
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</tbody>
</table>

### How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Impact of Climate Change on Business Operations</th>
<th>Netherlands</th>
<th>EU</th>
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<tr>
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<table>
<thead>
<tr>
<th>Transition Impact on Demand</th>
<th>Netherlands</th>
<th>EU</th>
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<td>13</td>
<td>29</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Supply Chain</th>
<th>Netherlands</th>
<th>EU</th>
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<tr>
<td>24</td>
<td>13</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Reputation</th>
<th>Netherlands</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>17</td>
<td></td>
</tr>
</tbody>
</table>

### To what extent do firms implement green management practices?

- **34%** of firms have set climate targets
- **35%** of firms have dedicated climate staff
- **19%** have energy costs concerns
- **50%** have conducted an energy audit

### To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- **8%** have invested to tackle climate risks
- **12%** plan to invest to tackle climate change
- **45%** have invested in energy efficiency (EE)
- **58%** have invested over total investments

- **Uncertainty about taxation and regulation**
- **Access to finance**
- **Uncertainty about climate impacts**
- **Investment costs**
- **Uncertainty about technologies**
- **Staff availability**
The share of Polish firms perceiving physical risks is higher than the EU average, while it is lower in terms of transition risks.

- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.

- The share of firms investing to tackle climate risks is lower than the EU average despite a larger share of firms planning to invest in the future.

Firms report more obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

### Performance at a glance

**Pros**
- Share of firms planning to invest in climate

**Cons**
- Share of firms investing in climate
- Climate staff
- Energy costs concerns

### How do firms (%) perceive climate change impacts on their business operations?

![Graph showing the percentage of firms perceiving different impacts of climate change on their business operations, including demand, supply chain, and reputation.]

<table>
<thead>
<tr>
<th>Impact of Climate Change</th>
<th>Poland</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact on Business Operations</td>
<td>35%</td>
<td>23%</td>
</tr>
<tr>
<td>Transition Impact on Demand</td>
<td>14%</td>
<td>23%</td>
</tr>
<tr>
<td>Transition Impact on Supply Chain</td>
<td>15%</td>
<td>34%</td>
</tr>
<tr>
<td>Transition Impact on Reputation</td>
<td>18%</td>
<td>11%</td>
</tr>
</tbody>
</table>

### To what extent do firms implement green management practices?

- **41%** of firms have set climate targets, in line with the **41%** EU average.
- **10%** of firms have dedicated climate staff, lower than the **23%** EU average.
- **75%** have energy costs concerns, higher than the **57%** EU average.
- **58%** have conducted an energy audit, higher than the **55%** EU average.

### To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- **Invested to tackle climate risks**
  - Poland: 32%
  - EU: 45%
- **Plan to invest to tackle climate change**
  - Poland: 43%
  - EU: 41%
- **Invested in energy efficiency (EE)**
  - Poland: 39%
  - EU: 47%
- **EE investment over total investments**
  - Poland: 9%
  - EU: 12%

Obstacles:
- Uncertainty about taxation and regulation
- Access to finance
- Uncertainty about climate impacts
- Investment costs
- Uncertainty about technologies
- Staff availability

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>Poland</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to finance</td>
<td>80%</td>
<td>70%</td>
</tr>
<tr>
<td>Uncertainty about climate impacts</td>
<td>60%</td>
<td>50%</td>
</tr>
<tr>
<td>Investment costs</td>
<td>50%</td>
<td>40%</td>
</tr>
<tr>
<td>Uncertainty about technologies</td>
<td>40%</td>
<td>30%</td>
</tr>
<tr>
<td>Staff availability</td>
<td>60%</td>
<td>50%</td>
</tr>
</tbody>
</table>

In line with the 41% EU average.

*Higher than the 57% EU average
**Higher than the 55% EU average
Portugal

Highlights

- The share of Portuguese firms perceiving physical and transition risks is higher than the EU average.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing to tackle climate risks is lower than the EU average.
- Firms report more obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

Performance at a glance

Pros
- Climate staff
- Energy costs concerns
- More obstacles to investment

Cons

To what extent do firms implement green management practices?

42% of firms have set climate targets

19% of firms have dedicated climate staff

78% have energy costs concerns*

54% have conducted an energy audit**

*Higher than the 57% EU average
**Lower than the 55% EU average

To what extent do firms respond to the climate emergency and what obstacles do they face?

<table>
<thead>
<tr>
<th>obstacle</th>
<th>Portugal</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uncertainty about taxation and regulation</td>
<td>80</td>
<td>70</td>
</tr>
<tr>
<td>Access to finance</td>
<td>80</td>
<td>70</td>
</tr>
<tr>
<td>Uncertainty about climate impacts</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Investment costs</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Uncertainty about technologies</td>
<td>80</td>
<td>70</td>
</tr>
<tr>
<td>Staff availability</td>
<td>80</td>
<td>70</td>
</tr>
</tbody>
</table>

Invested to tackle climate risks
Plan to invest to tackle climate change
Invested in energy efficiency (EE)
EE investment over total investments
The share of Romanian firms perceiving physical risks is higher than the EU average, while it is lower in terms of transition risks.
- Most firms consider the transition will positively impact their reputation. Those acknowledging transition risks consider it will impact their demand and supply chain negatively.
- The share of firms investing to tackle climate risks is lower than the EU average despite a larger share of firms planning to invest in the future.
- Uncertainty about taxation and regulation is the most cited obstacle hindering investment in measures to fight climate change.

How do firms (%) perceive climate change impacts on their business operations?

- Impact of Climate Change on Business Operations
  - Romania: 26%
  - EU: 35%

- Transition Impact on Demand
  - Romania: 23%
  - EU: 34%

- Transition Impact on Supply Chain
  - Romania: 10%
  - EU: 17%

- Transition Impact on Reputation
  - Romania: 13%
  - EU: 20%

To what extent do firms implement green management practices?

- 38% of firms have set climate targets (lower than the 41% EU average)

- 19% of firms have dedicated climate staff (lower than the 23% EU average)

- 56% have energy costs concerns* (lower than the 57% EU average)
- 44% have conducted an energy audit** (lower than the 55% EU average)

To what extent firms (%) respond to the climate emergency and what obstacles do they face?

- Access to finance: 80%
- Uncertainty about taxation and regulation: 70%
- Uncertainty about climate impacts: 60%
- Investment costs: 50%
- Uncertainty about technologies: 40%
- Staff availability: 30%

- Invested to tackle climate risks: 42% (Romania), 45% (EU)
- Plan to invest to tackle climate change: 41% (Romania), 47% (EU)
- Invested in energy efficiency (EE): 37% (Romania), 47% (EU)
- EE investment over total investments: 11% (Romania), 12% (EU)

- Pros
  - Share of firms planning to invest in climate
  - Energy costs concerns

- Cons
  - Share of firms investing in climate and energy efficiency
  - Climate staff
  - Energy audits
Slovakia

Highlights

The share of Slovakian firms perceiving physical and transition risks is lower than the EU average.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Firms are less aware of climate risks and report fewer obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

Performance at a glance

Pros
- Share of firms investing or planning to invest in climate
- Climate staff
- Energy costs concerns
- Energy audits

Cons

How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Impact of Climate Change on Business Operations</th>
<th>Slovakia</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>11</td>
<td>23</td>
</tr>
<tr>
<td>10</td>
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<td>34</td>
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<tr>
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<td>40</td>
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</tr>
<tr>
<td>50</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>60</td>
<td>9</td>
<td>13</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Demand</th>
<th>Slovakia</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>10</td>
<td>18</td>
<td>18</td>
</tr>
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<td>20</td>
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<td>50</td>
<td>10</td>
<td>10</td>
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<tr>
<td>60</td>
<td>9</td>
<td>9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Supply Chain</th>
<th>Slovakia</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>12</td>
<td>18</td>
</tr>
<tr>
<td>10</td>
<td>17</td>
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</tr>
<tr>
<td>20</td>
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<td>15</td>
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<tr>
<td>30</td>
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<td>50</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>60</td>
<td>9</td>
<td>9</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Reputation</th>
<th>Slovakia</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>10</td>
<td>13</td>
<td>17</td>
</tr>
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<td>17</td>
<td>25</td>
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<td>50</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>60</td>
<td>8</td>
<td>10</td>
</tr>
</tbody>
</table>

To what extent do firms implement green management practices?

42% of firms have set climate targets

17% of firms have dedicated climate staff

62% have energy costs concerns*
38% have conducted an energy audit**

*Lower than the 57% EU average
**Lower than the 55% EU average

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Access to finance
- Uncertainty about taxation and regulation
- Uncertainty about technologies
- Investment costs
- Staff availability

Pros

- Share of firms investing or planning to invest in climate
- Climate staff
- Energy costs concerns
- Energy audits

Cons

- Share of firms investing or planning to invest in climate
- Climate staff
- Energy costs concerns
- Energy audits
The share of Slovenian firms perceiving physical and transition risks is lower than the EU average.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Firms are less aware of climate risks and report fewer obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

<table>
<thead>
<tr>
<th>Country</th>
<th>Impact of Climate Change on Business Operations</th>
<th>Transition Impact on Demand</th>
<th>Transition Impact on Supply Chain</th>
<th>Transition Impact on Reputation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slovenia</td>
<td>16</td>
<td>15</td>
<td>19</td>
<td>3</td>
</tr>
<tr>
<td>EU</td>
<td>23</td>
<td>34</td>
<td>11</td>
<td>20</td>
</tr>
</tbody>
</table>

**Highlights**

- The share of Slovenian firms perceiving physical and transition risks is lower than the EU average.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.
- Firms are less aware of climate risks and report fewer obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

**Performance at a glance**

- **Pros**
  - Share of firms investing in energy efficiency
  - Climate targets
  - Energy costs concerns

- **Cons**
  - Share of firms investing or planning to invest in climate
  - Climate staff
  - Energy audits

**To what extent do firms implement green management practices?**

- **Pros**
  - 45% of firms have set climate targets (Higher than the 41% EU average)
  - 17% of firms have dedicated climate staff (Lower than the 23% EU average)

- **Cons**
  - 54% have energy costs concerns* (Lower than the 57% EU average)
  - 51% have conducted an energy audit** (Lower than the 55% EU average)

**Investment over total investments**

- Slovenian firms: 24% invested to tackle climate risks, 37% plan to invest to tackle climate change, 13% invested in energy efficiency (EE), and 12% invested in EE over total investments.
- EU: 45% invested to tackle climate risks, 41% plan to invest to tackle climate change, 52% invested in energy efficiency (EE), and 47% invested in EE over total investments.

**To what extent do firms respond to the climate emergency and what obstacles do they face?**

- Higher than the 41% EU average
- Lower than the 23% EU average
- Lower than the 57% EU average
- Lower than the 55% EU average

**Staff availability**

- Investment costs
- Uncertainty about taxation and regulation
- Uncertainty about technologies

**-**
Spain

Highlights

- The share of Spanish firms perceiving physical and transition risks is higher than the EU average.
  - Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing to tackle climate risks is lower than the EU average.
- Firms report more obstacles to climate investments than the EU average, with uncertainty about taxation and regulation cited most frequently.

How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Country</th>
<th>Impact of Climate Change on Business Operations</th>
<th>Transition Impact on Demand</th>
<th>Transition Impact on Supply Chain</th>
<th>Transition Impact on Reputation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>29%</td>
<td>19%</td>
<td>24%</td>
<td>10%</td>
</tr>
<tr>
<td>EU</td>
<td>35%</td>
<td>34%</td>
<td>23%</td>
<td>40%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Country</th>
<th>Positive</th>
<th>Minor</th>
<th>Major</th>
<th>Negative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>48%</td>
<td>23%</td>
<td>29%</td>
<td>15%</td>
</tr>
<tr>
<td>EU</td>
<td>35%</td>
<td>34%</td>
<td>19%</td>
<td>23%</td>
</tr>
</tbody>
</table>

Performance at a glance

Pros
- Share of firms investing in energy efficiency
- Climate targets
- Climate staff

Cons
- Share of firms investing in climate
- Energy costs concerns
- More obstacles to investment

To what extent do firms (%) perceive climate change impacts on their business operations?

46% of firms have set climate targets

25% of firms have dedicated climate staff

76% have energy costs concerns*

54% have conducted an energy audit**

*Higher than the 57% EU average
**Lower than the 55% EU average

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Invested to tackle climate risks
- Plan to invest to tackle climate change
- Invested in energy efficiency (EE)
- EE investment over total investments
- Uncertainty about taxation and regulation
- Access to finance
- Uncertainty about climate impacts
- Investment costs
- Uncertainty about technologies
- Staff availability

European firms and climate change 2020/2021: Evidence from the EIB Investment Survey 43
The share of Swedish firms perceiving physical risks is lower than the EU average, while it is higher for most transition risks. Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively. The share of firms investing to tackle climate risks is lower than the EU average. Firms report fewer obstacles to climate investments than the EU average, with investment costs cited most frequently.

To what extent do firms implement green management practices?

59% of firms have set climate targets

32% of firms have dedicated climate staff

34% have energy costs concerns*
55% have conducted an energy audit**

*Lower than the 57% EU average
**In line with the 55% EU average

To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

Performance at a glance

Pros
• Climate targets
• Climate staff
• Energy costs concerns

Cons
• Share of firms investing in climate and energy efficiency

Highlights

How do firms (%) perceive climate change impacts on their business operations?

Performance at a glance

Pros
• Climate targets
• Climate staff
• Energy costs concerns

Cons
• Share of firms investing in climate and energy efficiency

Highlights

How do firms (%) perceive climate change impacts on their business operations?

Performance at a glance

Pros
• Climate targets
• Climate staff
• Energy costs concerns

Cons
• Share of firms investing in climate and energy efficiency
United Kingdom

- The share of British firms perceiving physical and most transition risks is broadly in line with the EU.
- Most firms consider the transition will positively impact their demand and reputation. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing to tackle climate risks is in line with the EU average and a larger share of firms planning to invest in the future.
- Uncertainty about regulation and taxation and investment costs are the most frequently cited obstacles hindering investment in measures to fight climate change.

### Highlights

- **Impact of Climate Change on Business Operations**
  - UK: 40%, EU: 35%

- **Transition Impact on Demand**
  - UK: 32%, EU: 34%

- **Transition Impact on Supply Chain**
  - UK: 16%, EU: 17%

- **Transition Impact on Reputation**
  - UK: 11%, EU: 8%

### Performance at a glance

#### Pros
- Share of firms planning to invest in climate

#### Cons
- Climate targets
- Energy costs concerns

### To what extent do firms implement green management practices?

- **38%** of firms have set climate targets. Lower than the **41%** EU average.
- **22%** of firms have dedicated climate staff. Lower than the **23%** EU average.
- **60%** have energy costs concerns*. Higher than the **57%** EU average.
- **53%** have conducted an energy audit**. Lower than the **55%** EU average.

### To what extent do firms respond to the climate emergency and what obstacles do they face?

- Invested to tackle climate risks: UK 45%, EU 45%
- Plan to invest to tackle climate change: UK 41%, EU 53%
- Invested in energy efficiency (EE): UK 45%, EU 47%
- EE investment over total investments: UK 8%, EU 12%

- **Uncertainty about taxation and regulation**
- **Access to finance**
- **Uncertainty about climate impacts**
- **Uncertainty about technologies**
- **Staff availability**

- **Investment costs**

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European firms and climate change 2020/2021: Evidence from the EIB Investment Survey 45
The share of US firms perceiving physical and most transition risks is lower than the EU.

- Most firms consider the transition will positively impact their reputation. There are balanced views on whether the impact of the transition will be positive or negative on demand. Those acknowledging transition risks consider it will impact their supply chain negatively.

- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.

Firms report fewer obstacles to climate investments than in the EU, with uncertainty about taxation and regulation cited most frequently.

### How do firms (%) perceive climate change impacts on their business operations?

<table>
<thead>
<tr>
<th>Impact of Climate Change on Business Operations</th>
<th>US</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of firms perceiving physical risks</td>
<td>38</td>
<td>35</td>
</tr>
<tr>
<td>% of firms perceiving transition risks</td>
<td>21</td>
<td>15</td>
</tr>
<tr>
<td>% of firms perceiving climate impacts</td>
<td>13</td>
<td>35</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Demand</th>
<th>US</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of firms perceiving positive impact</td>
<td>21</td>
<td>15</td>
</tr>
<tr>
<td>% of firms perceiving negative impact</td>
<td>34</td>
<td>50</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Supply Chain</th>
<th>US</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of firms perceiving positive impact</td>
<td>25</td>
<td>17</td>
</tr>
<tr>
<td>% of firms perceiving negative impact</td>
<td>38</td>
<td>20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transition Impact on Reputation</th>
<th>US</th>
<th>EU</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of firms perceiving positive impact</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>% of firms perceiving negative impact</td>
<td>38</td>
<td>38</td>
</tr>
</tbody>
</table>

### Performance at a glance

**Pros**
- Share of firms investing in energy efficiency
- Energy costs concerns
- Fewer obstacles to investment

**Cons**
- Climate targets
- Climate staff
- Energy audits

### Highlights

- The share of US firms perceiving physical and most transition risks is lower than the EU.
- Most firms consider the transition will positively impact their reputation. There are balanced views on whether the impact of the transition will be positive or negative on demand. Those acknowledging transition risks consider it will impact their supply chain negatively.
- The share of firms investing or planning to invest to tackle climate risks is lower than the EU average.

- Firms report fewer obstacles to climate investments than in the EU, with uncertainty about taxation and regulation cited most frequently.

### To what extent do firms implement green management practices?

- 22% of firms have set climate targets
  - Lower than the 41% EU average

- 13% of firms have dedicated climate staff
  - Lower than the 23% EU average

- 52% have energy costs concerns
  - 44% have conducted an energy audit

  *Lower than the 57% EU average
  **Lower than the 55% EU average

<table>
<thead>
<tr>
<th>Performance at a glance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pros</td>
</tr>
<tr>
<td>Cons</td>
</tr>
</tbody>
</table>

### To what extent do firms (%) respond to the climate emergency and what obstacles do they face?

- Invested to tackle climate risks
  - US: 32%
  - EU: 45%

- Plan to invest to tackle climate change
  - US: 23%
  - EU: 41%

- Invested in energy efficiency (EE)
  - US: 32%
  - EU: 50%

- EE investment over total investments
  - US: 7%
  - EU: 12%

- Uncertainty about taxation and regulation
  - US: 70%
  - EU: 68%

- Access to finance
  - US: 50%
  - EU: 30%

- Uncertainty about climate impacts
  - US: 70%
  - EU: 68%

- Staff availability
  - US: 70%
  - EU: 68%

- Investment costs
  - US: 40%
  - EU: 30%

- Uncertainty about technologies
  - US: 70%
  - EU: 68%

- Lower than the US EU average

- Lower than the EU average