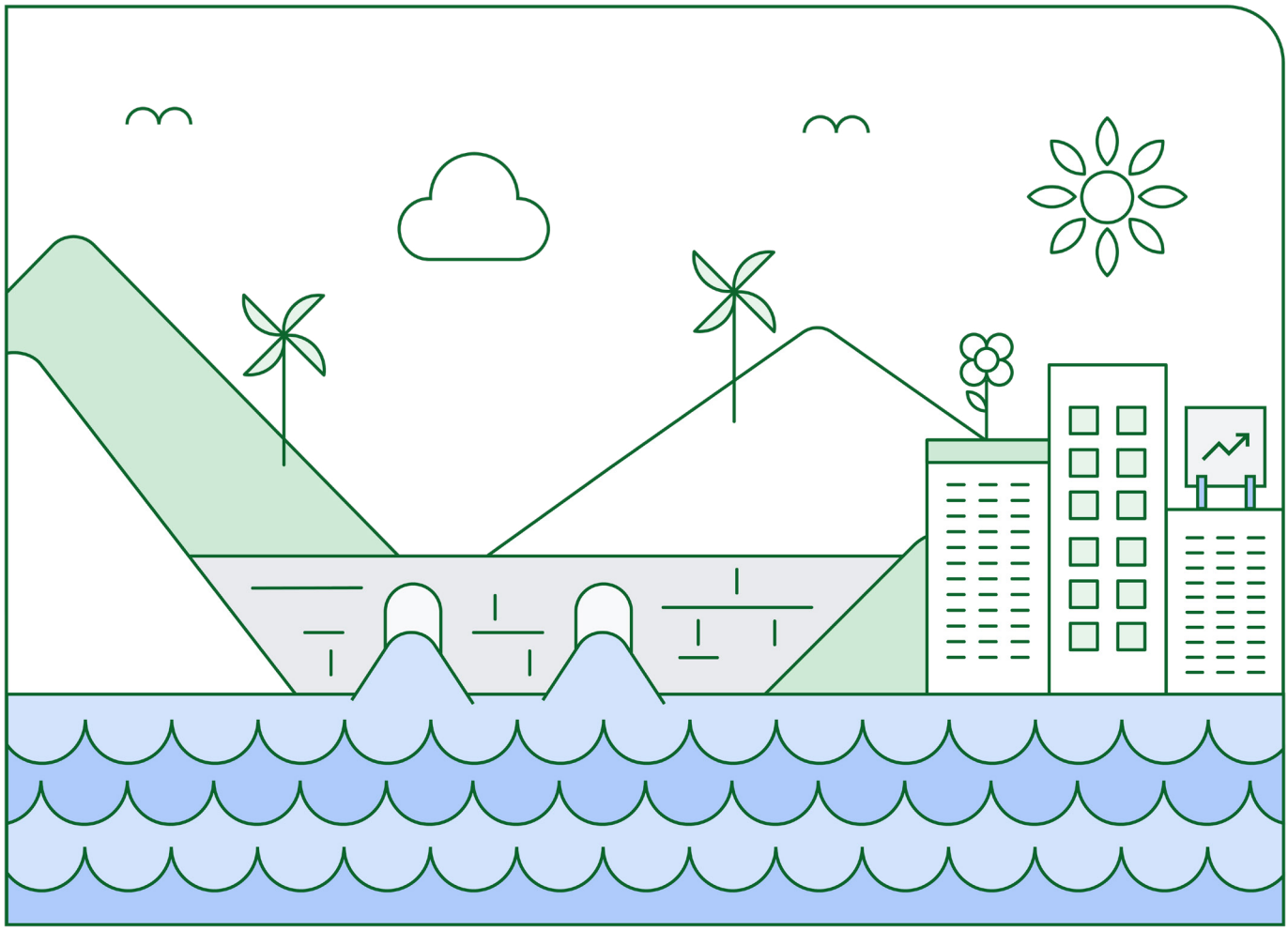
Google Cloud Sustainability Survey 2023



Google Cloud

Executive summary

In today's rapidly changing business landscape, executives are increasingly realizing the importance of sustainability for their organizations. However, navigating economic headwinds while maintaining sustainable practices is proving difficult. That is a key finding in a recent survey of 1,476 executives by The Harris Poll on behalf of Google Cloud. While almost every organization still has at least one sustainability program in place, executives admitted cutting corners in sustainability efforts and recognized year over year declines in programs moving into implementation phases.

In addition to economic headwinds, executives pointed to challenges in accurately measuring Environmental, Social and Governance (ESG) impact and turning ambition into actions. Without measurement, corporate greenwashing and green hypocrisy remained pervasive concerns among this year's respondents, with many executives admitting to overstating — or inaccurately representing — their sustainability activities.

Despite headwinds, there's reason to be optimistic that organizations will continue to operationalize and prioritize sustainability. Ambition to do more when it comes to sustainability remains high among executives, and they point to accountability and technology investment as key levers to unblock progress.

Methodology

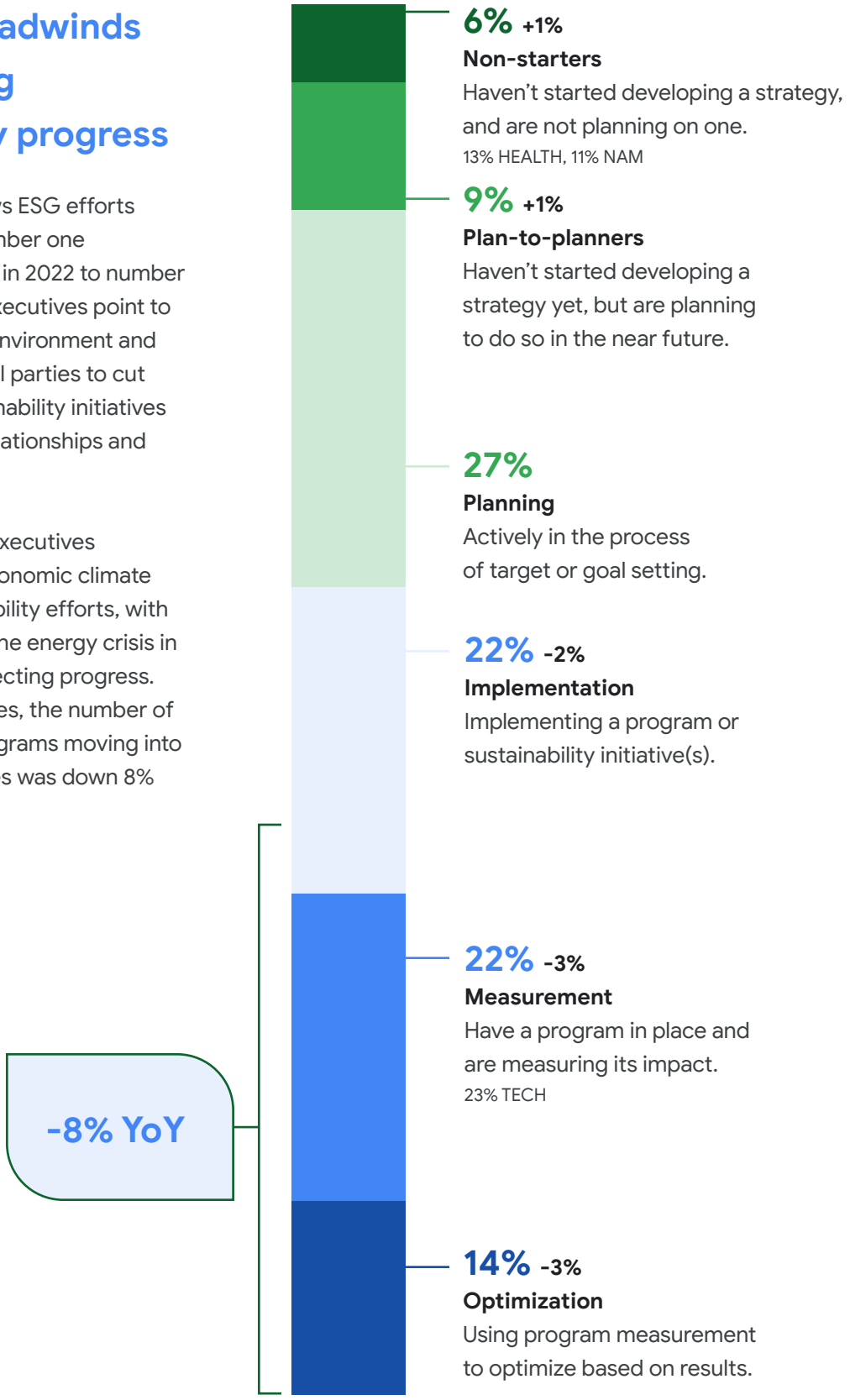
The Harris Poll conducted this research on behalf of Google Cloud from January 12, 2023, to January 23, 2023, surveying 1,476 VP and C-Suite executives across across the Americas, EMEA and Apac: US, UK, Canada, United Arab States, Singapore, Taiwan, Japan, Brazil, Mexico, Sweden, Spain, Germany, Italy, France, Thailand, Netherlands.

Executives worked across the following sectors: Financial services; Retail/ CPHealthcare or Life Sciences; Manufacturing or Heavy Industry; Technology, Telecommunication, Media, Entertainment, or Gaming; Supply Chain and Logistics. A global post weight was applied to ensure equal weight of each country in the global total.

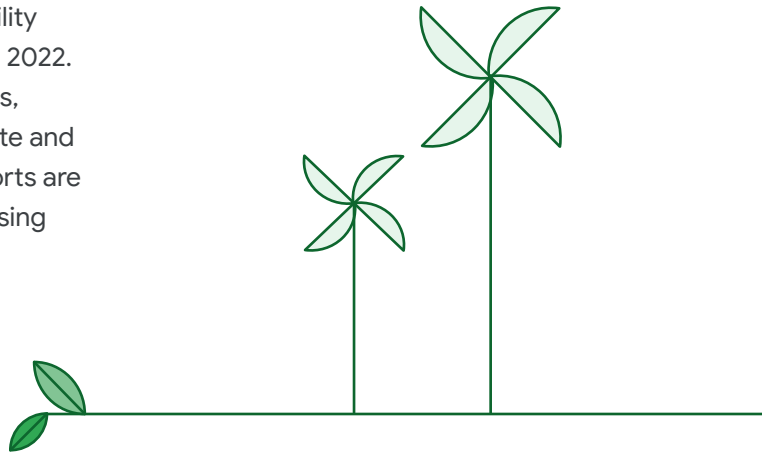
Economic headwinds are impacting sustainability progress

This year's study shows ESG efforts dropped from the number one organizational priority in 2022 to number three in 2023. Many executives point to the macroeconomic environment and pressure from external parties to cut corners in their sustainability initiatives and prioritize client relationships and driving revenue.

Almost half (45%) of executives believe the current economic climate is regressing sustainability efforts, with regional impacts like the energy crisis in Europe negatively affecting progress. Facing these challenges, the number of new sustainability programs moving into implementation phases was down 8% from 2022.



Still, nearly all (96%) organizations have at least one sustainability program in place, a percentage that remains unchanged from 2022. Although companies may have started sustainability programs, without reliable data to track progress it's difficult to accelerate and mature these initiatives. Executives remain unsure if their efforts are accurately represented, which leads to hesitations and increasing communication risks.



Programs to advance sustainability initiatives

47%
Implement sustainable office policies.

45%
Plan to reduce energy / migrate to renewable energy.

44%
Support green vendors.

43%
Sustainable mindset in product / service design.

42%
Make an effort to offset carbon footprint.

42%
Run a recycling program.

37%
Encourage sustainable transportation.

33% **-4% YoY**
Donate services to green intiatives.
47% MEDIA

27% **-4% YoY**
Donate funds to green initiatives.

26%
Volunteer program including green initatives.
36% LATAM

4%
N/A — Do not have any sustainability programs.

96%
Have at least one program in place to advance sustainability.

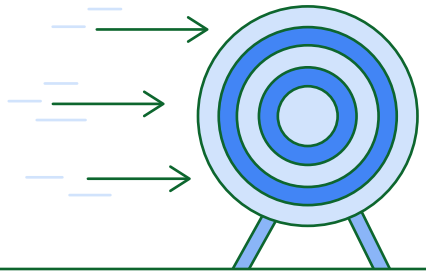
Lack of measurement continues to stall efforts and leads to greenwashing

Companies are struggling to move sustainability initiatives forward, with 72% of the respondents to the survey agreeing that while everyone says they want to advance sustainability efforts, no one knows how to actually do it. This confused sentiment is up 7% since 2022. Executives are challenged to focus sustainability programs for the greatest benefit and measure their impact effectively.

Understanding where and how to impact your operations sustainably requires data, but executives lack the systems that could deliver those insights in a way to make them actionable. Almost two-thirds (65%) agree with the statement, *"Since my organization doesn't have a system in place to measure sustainability initiatives, I don't feel empowered to make decisions or advance commitments on sustainability."*

Four out of five executives believe that when companies are unable to effectively measure sustainability efforts, they are challenged to communicate authentically about sustainability progress, and they overstate their efforts. Almost three out of four executives (72%) believe that most organizations in their industry would actually be caught greenwashing if investigated thoroughly. When asked about their own companies' claims, 59% of executives admitted to overstating — or inaccurately representing — their own sustainability activities.

Executives don't admit this lightly. Respondents overwhelmingly agree that greenwashing should have harsher consequences (83%) and that sustainability should be more than a PR stunt (88%). Why are so many organizations willing to risk greenwashing while understanding the consequences?

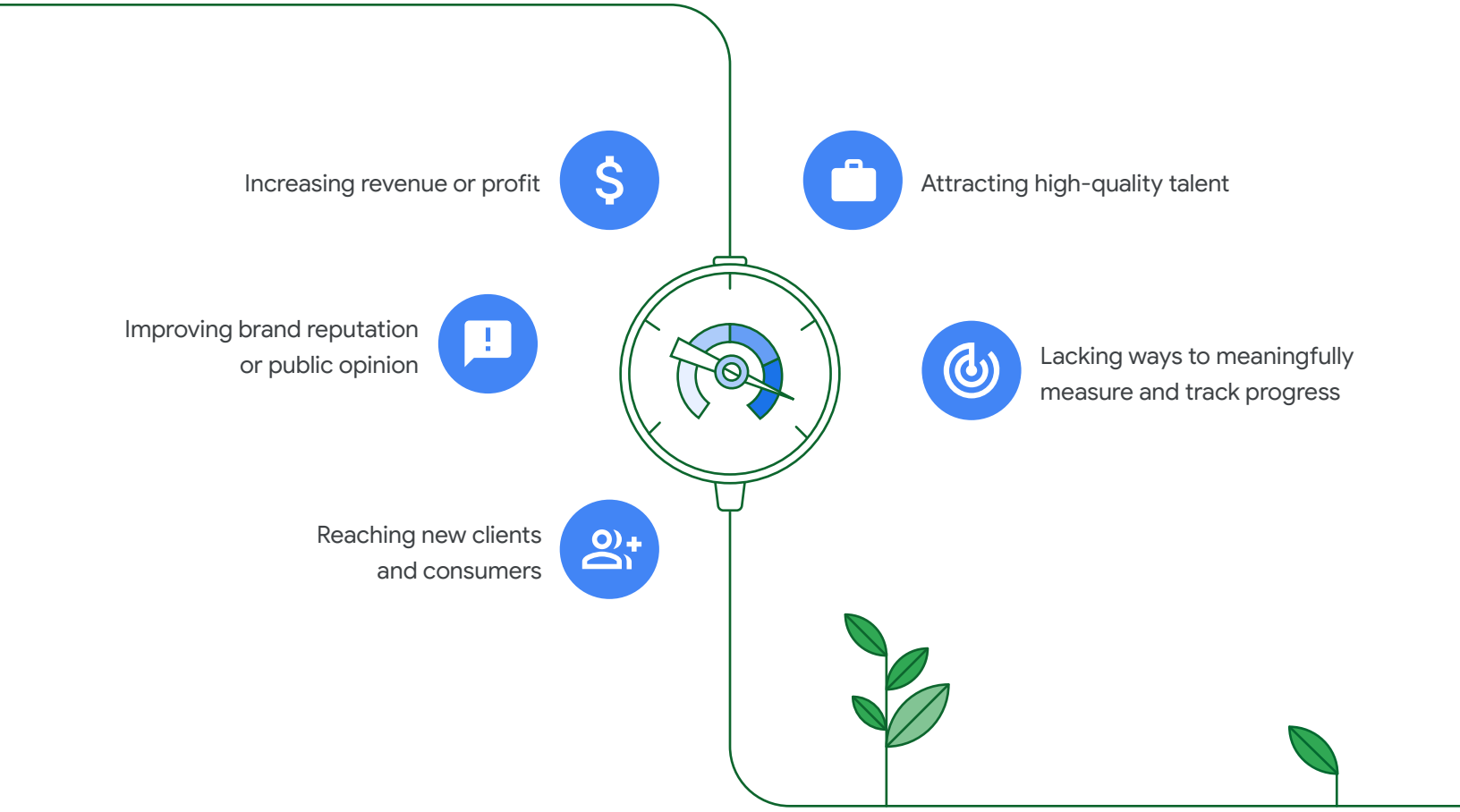


Nine in ten organizations are talking publicly about sustainability commitments, but only 58% are moving programs into the implementation phase and even fewer (22%) are measuring against targets.

Pressure to overstate efforts

Almost nine out of ten (85%) executives are noticing that consumers or clients are becoming more vocal about their preference of engaging with sustainable brands. Leaders are feeling the urgency to take advantage of change in client, buyer or investor preferences toward more sustainable products.

The top five reasons executives feel pressure to overstate efforts are:

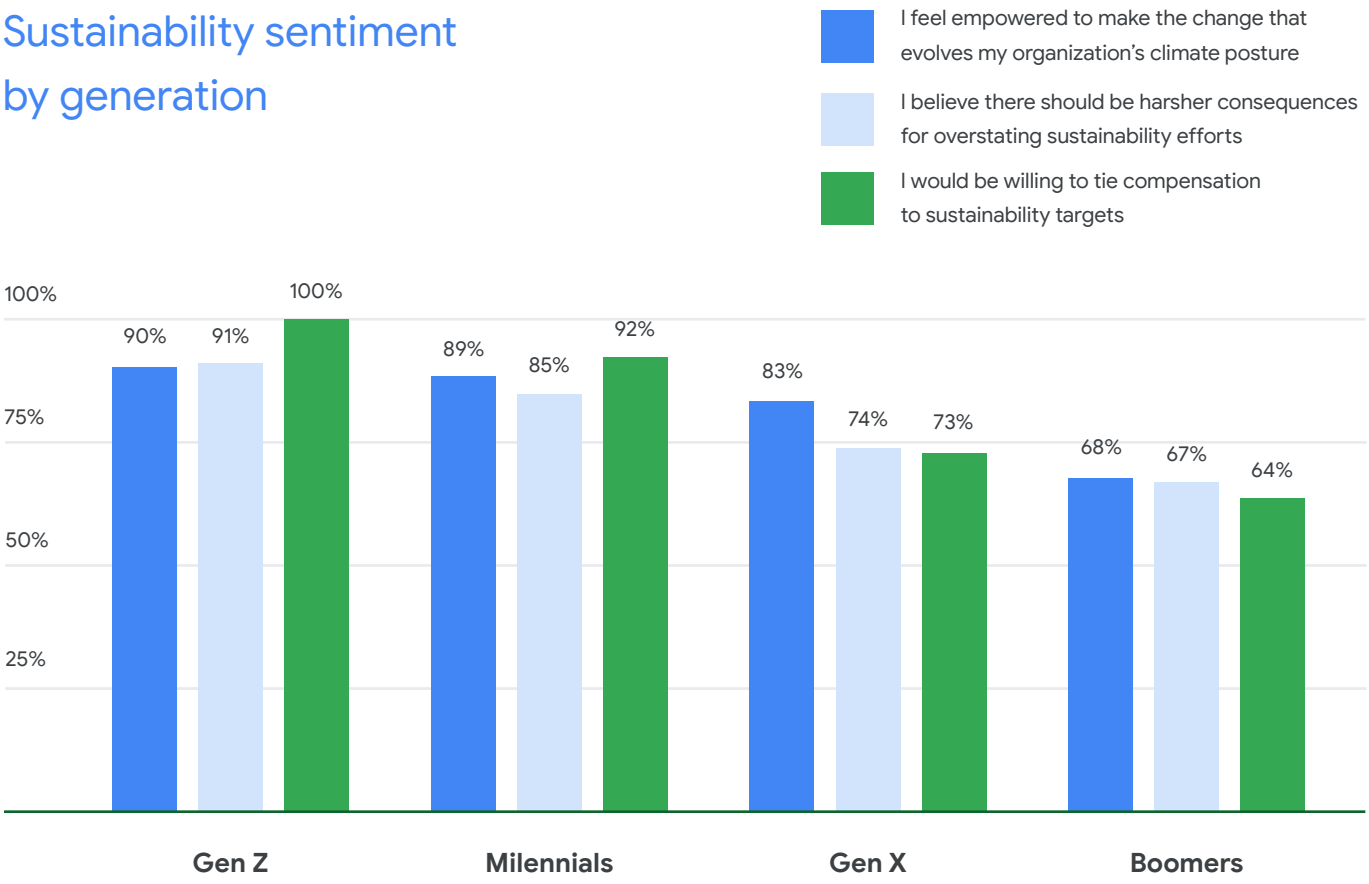


Until more organizations implement tools which empower executives to accurately measure, report and track performance, authentic communication will suffer. The large gap between the number of organizations communicating publicly versus measuring against sustainability targets is ripe for greenwashing.

A generational divide in sustainability enthusiasm

Younger generations have experienced the consequences of climate change, such as natural disasters or loss of biodiversity, and have grown up in a world where climate change is a prominent issue. When asked questions about personal motivation for sustainability efforts and the negative consequences of greenwashing, a generational divide among executives emerged:

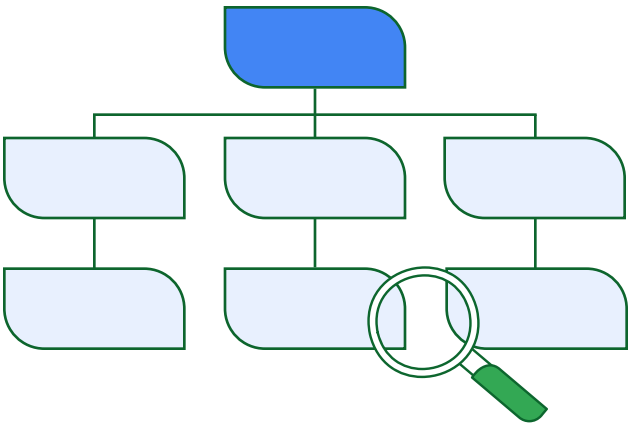
Sustainability sentiment by generation



Team building and technology are key levers to unblock progress

Leaders strive to overcome stagnant programs and increase accountability for sustainability targets. They cite technology and operational investment as top pathways to sustainable future growth, but cost and lack of investment are critical barriers. They wish for better systems to track their progress, with 87% of respondents looking to incorporate better measurement into their organizations to help make more accurate targets.

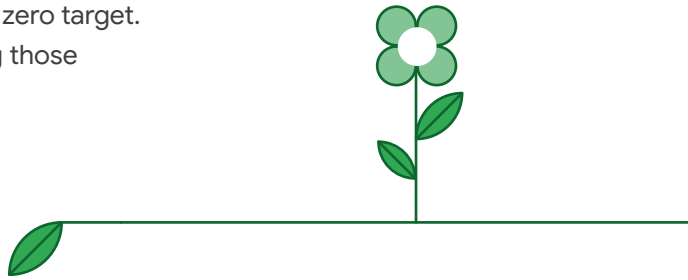
In addition to accurate data, achieving an organization's sustainability goals requires strong internal teams and structure. The research shows that many executives are also grappling with complex behind-the-scenes logistics of who makes sustainability-related decisions within their company. But what does "better" look like?



Eighty four percent of executives believe their sustainability initiatives would be more effective if they had a better structure with clear accountability.

Seven in ten executives told us, "The parties responsible for sustainability-related decisions in my organization aren't fully connected or aligned." Clearly, a central governance model would help. Unsurprisingly a dedicated leader who would govern sustainability initiatives is the number one action to help advance sustainability efforts. Those leaders will need strong team building skills, as executives believe a multitude of skills are needed to advance organizational sustainability — from data analysis to sustainability knowledge. At the moment these needs aren't being met as a majority (58%) say, "I don't have access to the talent that could meaningfully advance sustainability in my organization," presenting an opportunity for sustainability skilled job seekers.

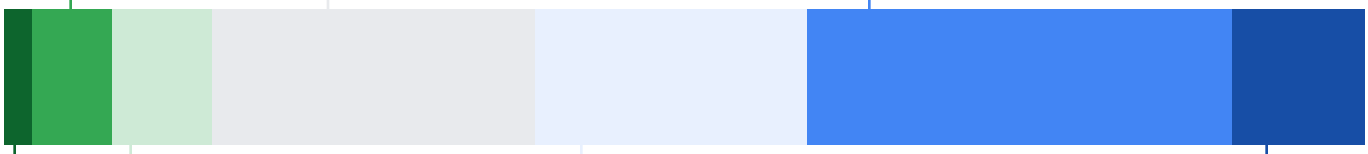
Ultimately, nearly nine in ten (86%) executives believe they are empowered to make the change that evolves their organization's climate posture. This is good news as they've clearly been pushing their organizations to set ambitious goals, with nearly 91% of organizations pursuing or have already met a net zero target. But with only 41% of respondents either on track or already meeting those targets, there's more work to be done.



24%
We have discussed this goal internally and plan to pursue it, but aren't ready to make any firm commitments publicly.
33% HEALTH

31%
We have made a public pledge to become a net zero emissions organization by a targeted deadline and are on track to become one.
45% MEDIA, 37% TECH

6%
We have decided not to pursue this for now.



7%
We are unsure what this would entail, but are interested in pursuing it.

20%
We have made a public pledge to become a net zero emissions organization by a targeted deadline **but are falling behind our targets.**

10%
We have already met our goal or target of becoming a net zero emissions organization.
17% FIN. SERV., 15% TECH

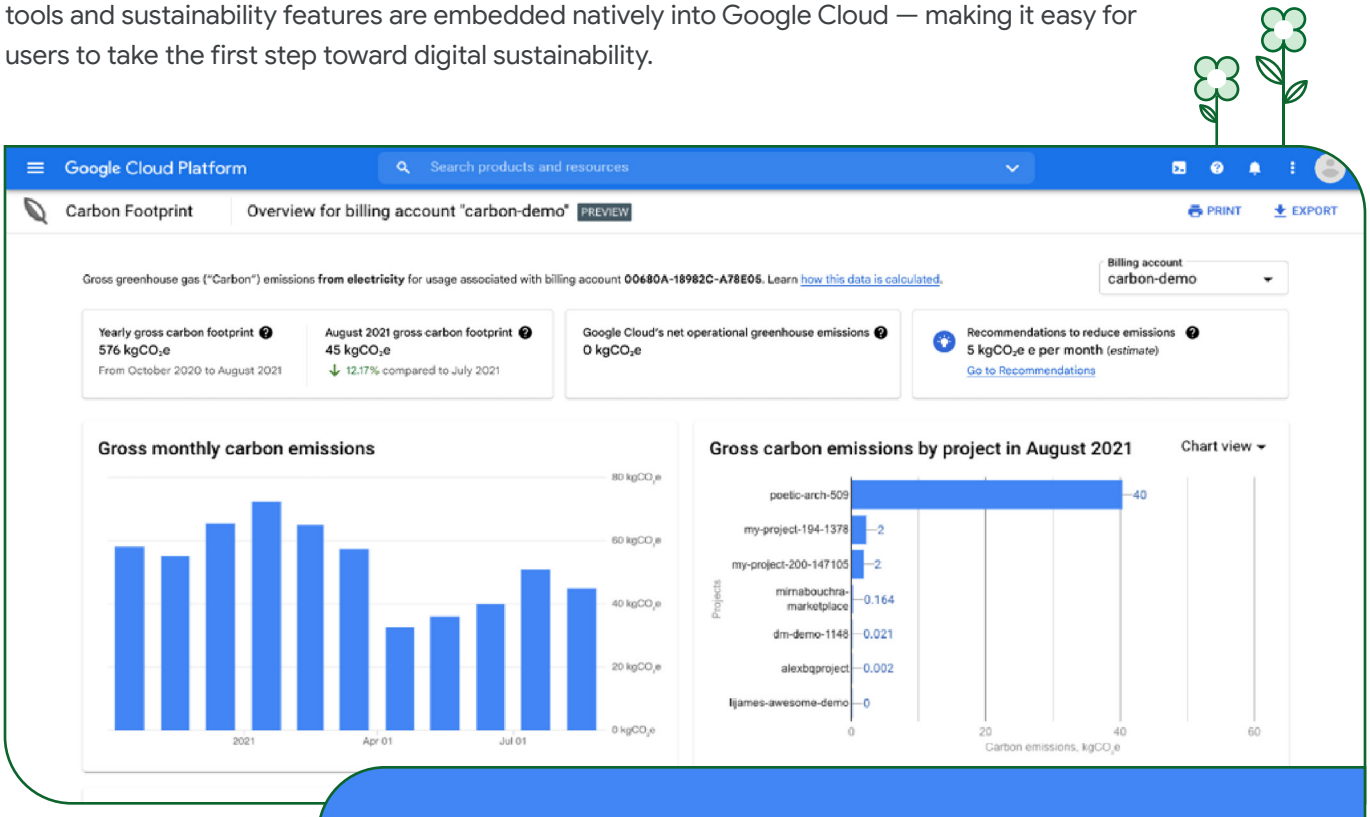
2%
We dont know what this means.

41%
of organizations are either on track, or have achieved Net Zero.

Google Cloud can help accelerate a sustainable business transformation

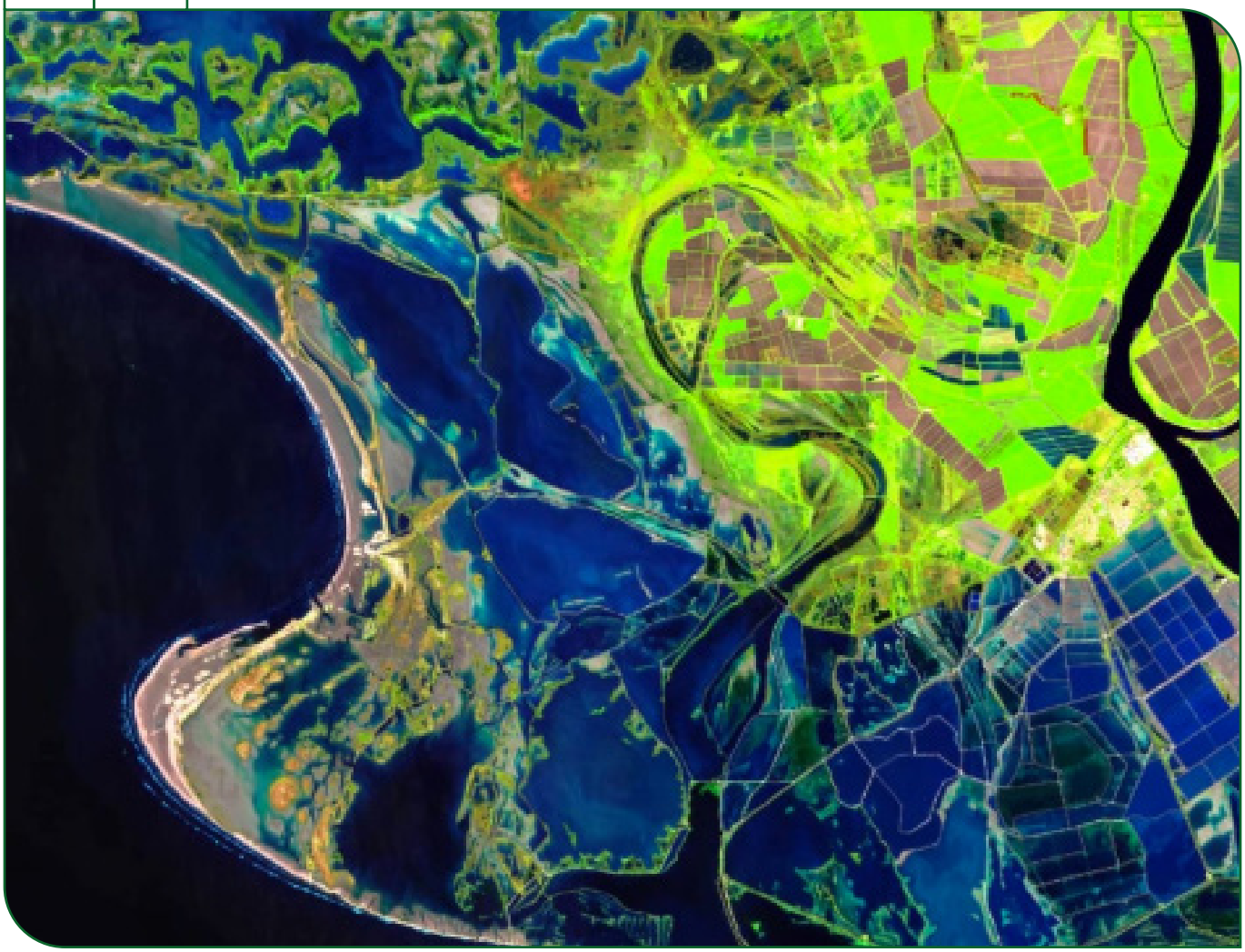
At Google Cloud we're helping our customers decarbonize their digital applications and increase their resilience to the effects of climate change. This year's survey again highlighted the need for better measurement and data to inform decision making. Cloud technology can help developers and the C-suite identify steps you can take today to reduce environmental impact.

At Google Cloud we're making it easier for our customers to identify opportunities to lower carbon emissions at scale. Our Carbon Footprint tool delivers a complete picture of Scope 1, 2, and 3 cloud emissions associated with your Google Cloud usage. You can break down data by project, service, or region and take concrete actions to help lower carbon emissions and make more sustainable decisions. Today, we're also using AI to make recommendations to clean up your cloud environment and reduce emissions from Active Assist. Intelligent cloud optimization tools and sustainability features are embedded natively into Google Cloud — making it easy for users to take the first step toward digital sustainability.

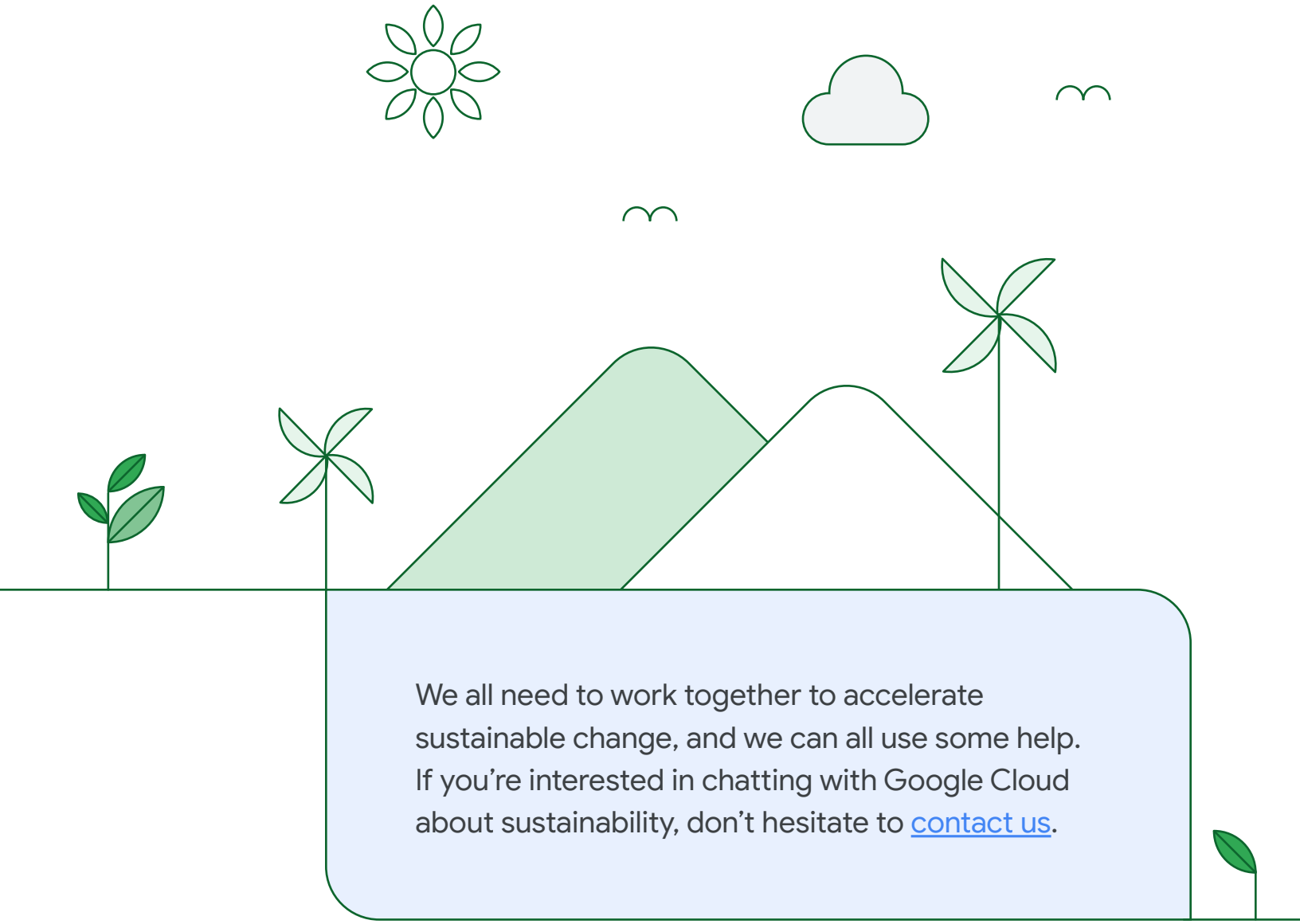


Carbon Footprint provides every Google Cloud user with the carbon emissions associated with their usage.

Organizations often lack the insights they need to help inform what they choose to focus on. The ability to observe changes in the natural environment is key to measuring the true impact of your operations. Google Earth Engine is a leading technology for planetary-scale environmental monitoring that combines data from hundreds of satellites and other sources with geospatial cloud computing resources to show timely, accurate, high-resolution and decision-relevant insights about the state of the world's habitats and ecosystems — and how they're changing over time. Earth Engine is generally available to all Google Cloud customers, and is already helping numerous organizations gain visibility into their supply chain and better understand their climate risk exposure.



Caption: Earth Engine provides 70+ petabytes of analysis-ready geospatial data



We all need to work together to accelerate sustainable change, and we can all use some help. If you're interested in chatting with Google Cloud about sustainability, don't hesitate to contact us.

Google Cloud

Table name: carbon_footprint **Last updated**: Jun 28, 2024 9:41 AM

usage_month	billing_account_id	project.number	project.id	service.id	service.descrip	location.locatic	location.region	carbon_footprint_kgCO2e.scope1	carbon_footprir	carbon_footprint_kgCO2e.scop	carbon_footprint_kgCO2e.sc	carbon_footprir	carbon_footprir	carbon_footprir	carbon_offsets	carbon_model_version
2024/5/1	01D7DF-B02E0C-F6AEBC	1031311579769	cs-uat-demo	5490-F7B7-8DF6	Cloud Logging	us		0.000109634	0.0274574	0.0105166	0.021431549	0.032057784	0.048998583			10
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2024/5/1	01D7DF-B02E0C-F6AEBC	307822392326	cs-production-360205	A1E8-BE35-7EBC	Cloud Pub/Sub	us-central2	us-central2	3.30048E-10	8.56606E-08	3.14758E-08	6.45185E-08	9.63244E-08	1.50509E-07			10
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2024/5/1	01D7DF-B02E0C-F6AEBC	307822392326	cs-production-360205	95FF-2EF5-5EA1	Cloud Storage	asia-southeast1	asia-southeast1	3.75981E-05	0.01013004	0.013545028	0.007349756	0.020932382	0.017517394			10
2024/5/1	01D7DF-B02E0C-F6AEBC	712856151856	cs-gpt-390407	6F81-5844-456A	Compute Engine	us		0.000138032	0.034481527	0.009245419	0.026982812	0.036366263	0.061602371			10
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2024/5/1	01D7DF-B02E0C-F6AEBC	712856151856	cs-gpt-390407	6F81-5844-456A	Compute Engine	asia-east1	asia-east1	0.033295951	10.35072002	13.17101535	6.508771209	19.71308251	16.89278718			10
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