



Climate
Confidence
Monitor 2008



**HSBC
Climate
Partnership**

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The Climate Confidence Monitor 2008

The Climate Confidence Monitor 2008, which surveyed 12,000 people across 12 markets worldwide, reveals that consumer expectations are proving resilient to the current economic crisis. Forty three per cent of those surveyed chose climate change ahead of global economic stability when asked about their top three concerns, despite the survey taking place in the midst of the financial market turmoil in September-October 2008.

In a clear message to governments around the world, the Monitor reveals that people are looking for the following:

Greater leadership

Worldwide, 48% of people believe governments should be playing a leading role in tackling climate change, but only 25% think they are doing so. Without greater government leadership, people's individual engagement with the issue is stalling: willingness to make further changes to lifestyles, contribute more time and spend extra money are all down compared to 2007.

Direct action

People want their governments to focus on 'big issue' direct actions such as increasing investment in renewable energy, halting deforestation, conserving water resources and protecting ecosystems. The indirect activities that governments are actually focusing on – carbon markets and taxation systems – are seen by consumers as less of a priority.

A simple 'fair sharing' of global emission reductions

The vast majority of people (78%) want their countries to take on at least their 'fair share' of emissions reductions, in proportion to their current share of global emissions. This sense of sharing responsibility for reductions suggests a different picture to that being played out in international negotiations.

▀ Finding the solutions to climate change requires a concerted international effort involving governments, NGOs, intergovernmental institutions, the public and, of course, the business community. The HSBC Climate Partnership is an example of how different types of organisations can work together and has already been a catalyst for change in how we do business. ▀

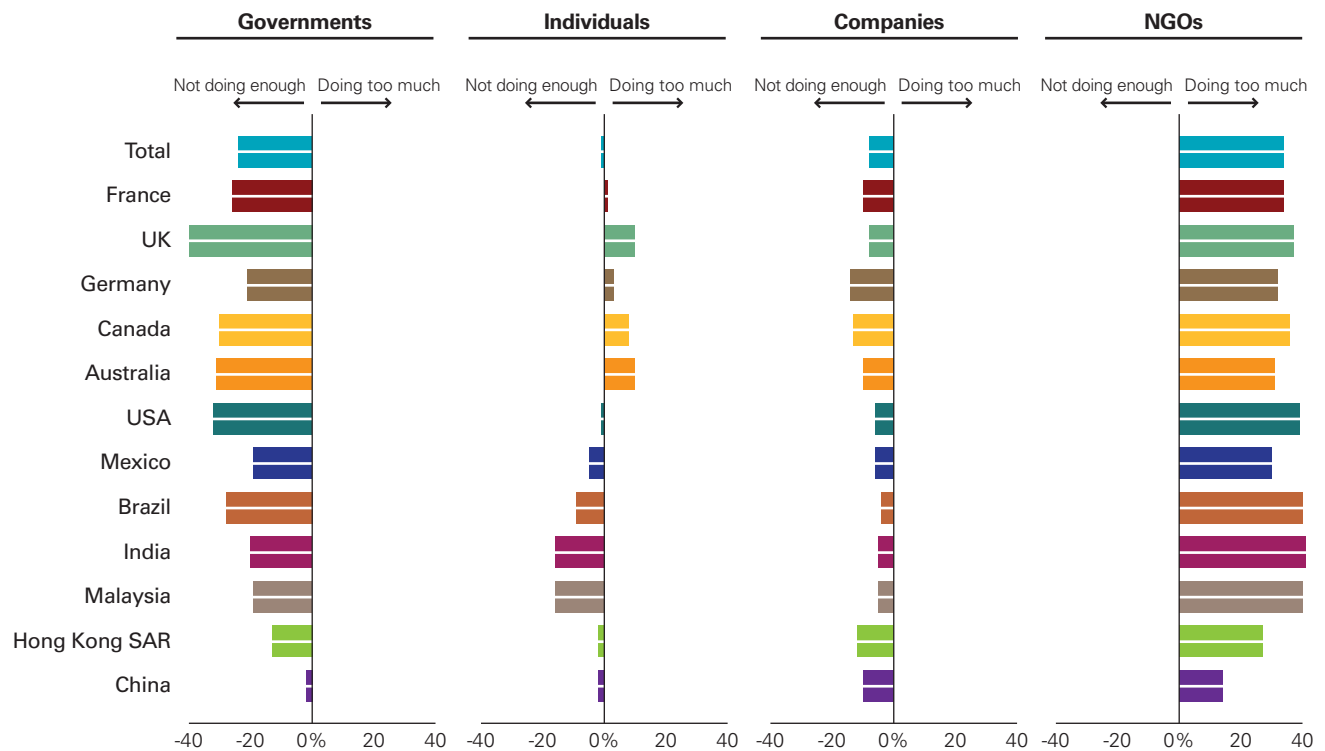
Stephen Green, Group Chairman, HSBC Holdings plc

About the research

This report is based on research conducted for the HSBC Climate Partnership in September 2008 with 12,000 people: 1,000 people in each of Australia, Canada, France, Germany, the UK and USA, nationally representative of those markets; and 1,000 people in each of Brazil, China, the Hong Kong SAR, India, Malaysia and Mexico, representative of the online population of those markets. The research was designed and analysed by Lippincott; and field research was conducted by Lightspeed.

The core questions within the Climate Confidence Monitor measure people's concern, confidence, commitment and optimism about climate change.

Figure 1 'Who do you think *is currently*, and *should be*, playing a major role in tackling climate change?'



Percentage respondents ranking as number 1 (difference between *is currently* and *should be*)

Greater leadership

People are calling on governments and, to a lesser extent, business, to play a greater role in tackling climate change. There is a consensus that governments are not doing enough (fig1). All economies surveyed believe business should be doing more whilst NGOs have traditionally taken on too much responsibility.

There are slight differences of opinion over the contribution of individuals. In most developed markets, consumers think individuals are being asked to play too great a role, while emerging markets think that individuals should be doing more.

It seems without greater government



HSBC illustrates its commitment to supporting renewable technologies by installing solar panels at its Group Head Office in London.

direction, individual engagement on climate change is stalling. In the nine markets researched in 2007 and 2008, the proportion of people who say they have 'heard a lot about climate change' has fallen dramatically from 74% in 2007 to 36% in 2008, suggesting that climate change has had less prominence on the news agenda in 2008.

The 2008 Climate Confidence Monitor reveals that the gap in attitudes between developed and emerging markets observed in the 2007 results is still substantial, but closing in (figure 2).

Concern and commitment have risen in most of the developed

markets, but have fallen dramatically in Brazil, India and the Hong Kong SAR over the same period. China is the only emerging market that shows a rise in both concern and commitment, as it does on all four core measures.

People's willingness to make changes to their lives and reduce the impacts of climate change is falling. As in 2007, a similar theme has emerged in 2008. People are firstly most willing to make changes to their lifestyles, secondly to spend extra time, and thirdly to spend extra money (figure 3). Across the nine markets covered in both 2007 and 2008, the proportion of people who say they are willing to:

- make changes to their lifestyle to help reduce climate change has fallen from 58% to 47% (top two boxes on a seven-point scale)
- spend extra time has decreased from 45% to 37%
- spend extra money has dropped from 28% to 20%.

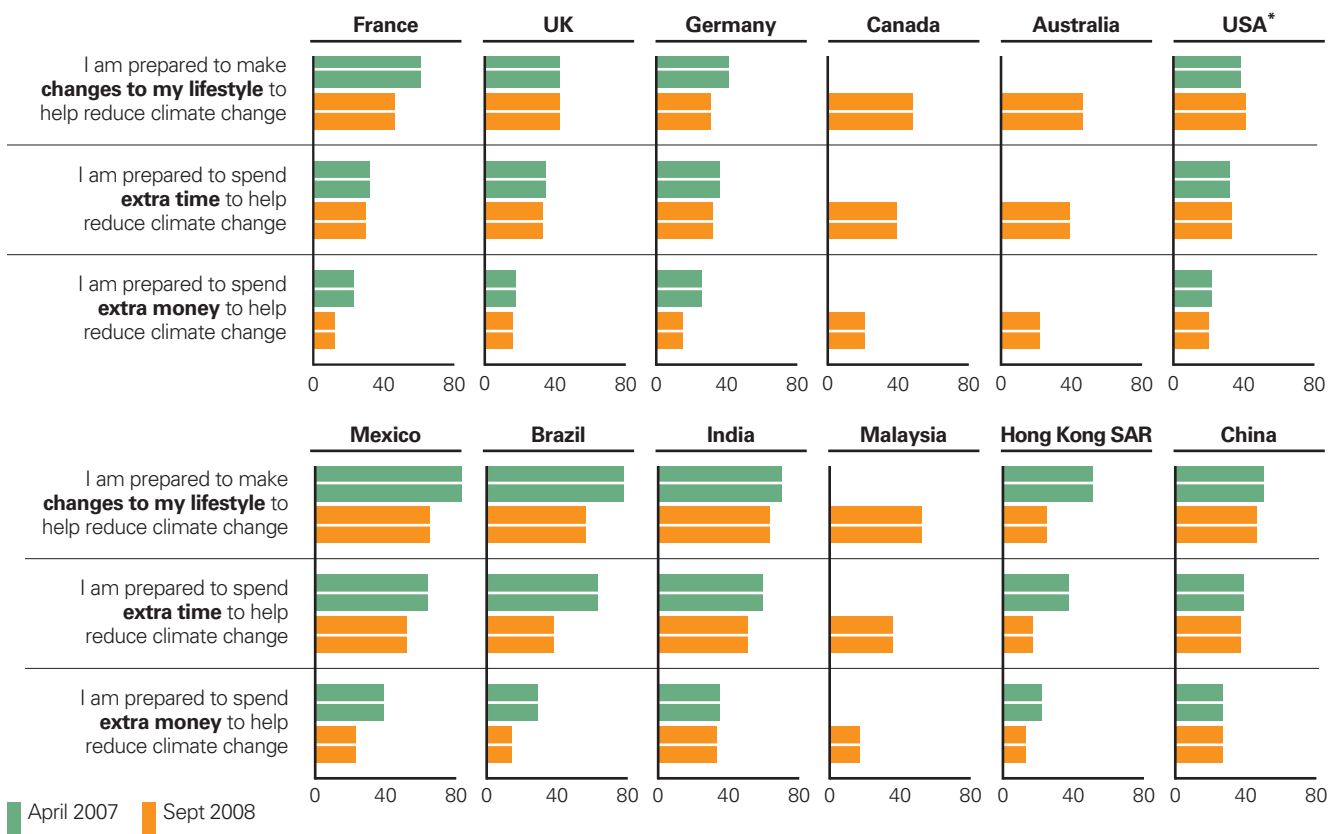
This downward trend shows a lack of momentum for a consumer-led approach to tackling climate change, further emphasising the need for decisive leadership.

Figure 2 Climate Confidence Monitor 2008

Country	Concern <i>Climate change and how we respond to it are among the biggest issues I worry about today.</i>		Confidence <i>The people and organisations who should be doing something about climate change are doing what is needed.</i>		Commitment <i>I am personally making a significant effort to help reduce climate change through how I live my life today.</i>		Optimism <i>I believe we will stop climate change.</i>		
	2008	2007	2008	2007	2008	2007	2008	2007	
France	36%	37%	5%	7%	28%	30%	5%	5%	5% Fewer than 1 in 10 agrees
UK	26%	22%	9%	5%	26%	19%	9%	6%	
Germany	33%	26%	9%	6%	32%	25%	9%	11%	15% 1 in 10 people agrees
Canada	34%		6%		29%		9%		
Australia	36%		8%		26%		12%		
USA	26%	32%	12%	13%	24%	23%	12%	18%	26% 1 in 5 people agrees
Mexico	63%	59%	15%	14%	40%	43%	27%	24%	
Brazil	52%	58%	12%	14%	34%	47%	25%	26%	34% 1 in 3 people agrees
India	54%	60%	19%	19%	32%	47%	42%	45%	
Malaysia	52%		31%		31%		26%		51% Half of all people agree
Hong Kong SAR	36%	46%	30%	38%	27%	37%	21%	30%	
China	52%	47%	55%	46%	56%	44%	47%	39%	

Percentage of people scoring 6-7 on a 1-7 scale of agreement with each of the four index statements

Figure 3 Willingness to make further individual contributions



Percentage of people scoring 6-7 on a 1-7 scale of agreement

*2007 USA data rescaled from 4 cities data

Direct action

Across both developed and emerging markets, people want their governments to focus on what they consider to be the big issues that will directly impact climate change.

Renewables

When asked what their government should be doing to tackle climate change, people rate using or investing in renewable energy sources as the highest priority in seven out of the 12 markets surveyed.

All markets, apart from China, believe their government is not doing enough in this area today (figure 4). People in emerging markets are more likely to believe that their governments are focusing on the right activities today.

Deforestation / Water conservation and protection of ecosystems

The survey also reveals that 'preventing deforestation' and 'conserving water / protecting ecosystems' are issues where people can easily see significant and immediate impact.

Unpopular or misunderstood actions

In contrast, people believe governments are focusing too much attention on indirect actions that pass responsibility for climate change onto others, such as increasing taxes on fossil fuels, encouraging individual environmentally friendly activities and participating in international negotiations such as the Kyoto Protocol.

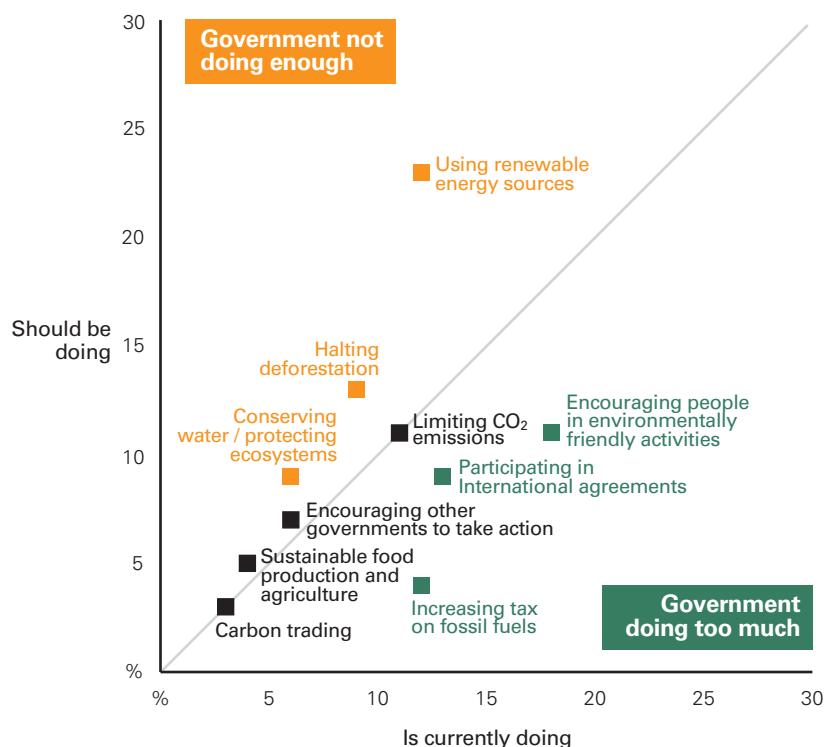
Whatever their ultimate potential, people do not see the impact of these approaches. Government involvement in carbon trading, in particular, is neither visible nor seen as a priority.



Bent Stron / Getty Images / WWF-UK

A woman fishing in Lake Hong, China, illustrates sustainable practices promoted by WWF in its aim to protect 12,000 square kilometres of nature reserves as part of the HSBC Climate Partnership.

Figure 4 Activities people believe their government *is currently*, and *should be*, doing



A simple 'fair sharing' of global reductions

The majority of people surveyed (78%) want their own country to take on at least its 'fair share' of carbon dioxide emission reductions, in proportion to their current share of global emissions.

The research reveals that people have a reasonably accurate and globally consistent idea of which countries contribute most to carbon emissions today. On average in each market surveyed, respondents estimated the emissions contribution of North America and Europe accurately, although the emissions of China, Brazil and India were slightly overestimated.

When asked how much different regions of the world should contribute to overall emission reductions, a consensus emerges. Generally, current share of emissions is taken as a good proxy for the share each region should expect in emission reductions (figure 5).

Within this general picture, a pattern of regional nuances appears:

- People give other countries allowances that they don't give their own. People in India, for example, think that it should contribute its fair share of emissions, while China should contribute less. Meanwhile people in China think that it should contribute its fair share, but India should contribute less.
- Even in the markets which emit the most carbon dioxide, most people want their country to make a fair contribution. In China, 62% of people said their country should reduce emissions by at least as much as other countries, and only 4% said their country's emissions should be allowed to increase. In the USA, 72%



Christian Zeigler

The Smithsonian Tropical Research Institute has reforested over 100 hectares in the Panama Canal Watershed since the launch of the HSBC Climate Partnership in 2007.

of people said their country should reduce emissions by at least as much as other countries.

- Only 4% of people in the emerging markets believe their country's

emissions should be allowed to increase to enable their economies to grow (figure 6). In Mexico and Brazil, over 80 per cent want to cut emissions by their 'fair share' or more – as high a proportion as in developed markets.

This intuitive sense of shared responsibility for carbon dioxide emissions suggests an overly generous approach in emerging markets, but also an unrealistic expectation in developed markets. This seems to be contrary to the negotiations taking place between governments on the global stage. Those markets that demonstrated a willingness to contribute more than their 'fair share' to allow others to grow, are Canada, the USA and the UK, but the proportion is still only a minority, at 26%.

Figure 5 Regional contributions to the problem and solution

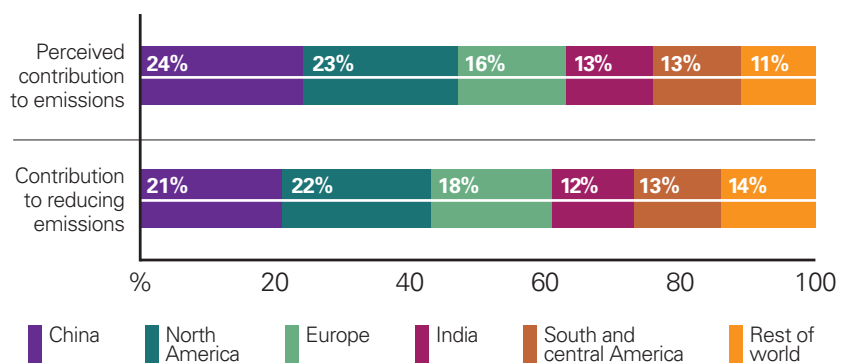
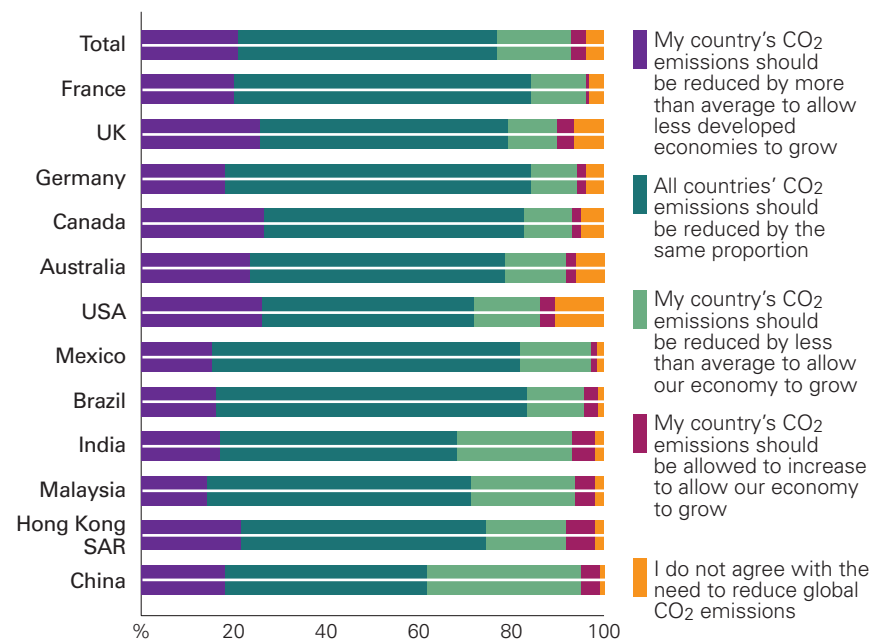


Figure 6 Sharing the burden of reducing global CO2 emissions



Implications

Despite clear concern about climate change and a demonstrably fair attitude to national emission reductions, the picture that has emerged from this year's Climate Confidence Monitor is one of consumers stalling in their own efforts and not appreciating those of their governments. Governments and companies have a greater role to play both in creating low-carbon opportunities and in helping consumers better understand the options and implications.

The findings show a disconnect between what consumers say they want and what is actually happening in their own market. It seems the message for governments across the 12 markets surveyed is three-fold:

Demonstrate direct tangible impact.

People want to see evidence of the efforts and impacts of government decisions. They want to see a greater focus on renewable energy solutions and halting deforestation.

More needs to be done to inform consumers about measures such as green taxation or carbon trading to help them understand how tangible these can be.

Negotiate international agreements with an understanding of the sense of fairness shown by consumers across the globe.

Firstly, there is a sense of fairness behind people's responses in both the developed and emerging markets. Secondly, there seems to be a lack of understanding in developed markets of the share of the burden that these countries are likely to face in order to allow emerging market economies to grow. A more informed public debate is needed to prepare people in developed markets for the level of emission reduction commitments that may be made on their behalf at the United Nations Climate Change Conference in Copenhagen next year.

Business has a role to play in facilitating low carbon choices by individuals.

Business has a role to play in making it easier for individuals to make low-carbon choices. There is an urgent need to rebuild momentum on climate change among consumers.

The HSBC Climate Partnership

The HSBC Climate Partnership is a five-year partnership from 2007-2012 between HSBC and The Climate Group, Earthwatch Institute, Smithsonian Tropical Research Institute and WWF. The partnership aims to combat the urgent threat of climate change by inspiring individuals, businesses and governments worldwide.

Working with these partners, and engaging its 335,000 employees, HSBC hopes to tackle climate change impacts for people, forests, water and cities. Achievements to date include:

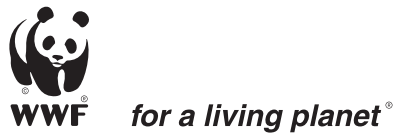
- The Climate Group has launched the UK Together campaign, which has helped households save 700,000 tonnes of carbon dioxide to date by providing cheap and easy ways for consumers to reduce their carbon footprint.
- Earthwatch has opened three forest Climate Centres in Brazil, the UK and the US to research how forests can be managed better in a changing climate. Climate Centres will open in India and China in 2009. Earthwatch has designed and implemented an innovative training programme on climate change for HSBC's global workforce.
- The Smithsonian Tropical Research Institute has reforested over 100 hectares in the Panama Canal Watershed with 140,000 seedlings.
- WWF has helped 22 nature reserves in China join together to manage jointly 12,000 square kilometres of protected area to tackle increased flooding, reduce pollution and safeguard endangered species in the central and lower regions of the Yangtze River.



THE ° CLIMATE GROUP



Smithsonian Tropical Research Institute



For more information, contact:

Group Corporate Sustainability

HSBC Holdings plc

Email: sustainability@hsbc.com

Learn more at: www.hsbc.com/sustainability

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Group Corporate Sustainability
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London E14 5HQ

Cover

An HSBC employee takes part in Earthwatch research to measure the impact of climate change on forests in Oxford, UK. He is one of 8,000 employees who have taken action as part of the HSBC Climate Partnership.

Photograph: Earthwatch / Simon Rawles