How can slowing climate change accelerate your financial performance?

A recent EY survey of over 500 global corporate sustainability leaders unearthed a shift in thinking about climate change. The key takeaway, however, is that what’s good for the planet is good for business. But to see real returns from your climate action, there are some steps you need to consider.

**Element 1: Acting fast**

The world needs a 45% reduction in emissions by 2030 to allow net zero by 2050 and keep 1.5°C on track. On the current trajectory, those goals won’t be met.

- **20% of companies** have not even begun to commit to net zero (below 2030).
- **40% of companies** have committed to net zero by 2030.
- **80% of companies** have committed to net zero by 2050.

The goal now is to take at least 12 investments in climate-related activities, each of which is required to be checked via EY’s five elements:

1. **Set goals that sound impossible.**
2. **Use compliance to accelerate action.**
3. **Prioritize climate in your decision tools.**
4. **Assigning oversight to board committee.**
5. **Make climate experience a factor in board or management selection.**

**Element 2: It’s an investment, not a cost**

Companies still view decarbonization as costs, but if you’re driving your decarbonization now, you’re likely to see higher financial returns.

- **36%** of companies believe climate-related activities will negatively impact their financial performance.

But it’s also true that if you’re driving your decarbonization now, you’re likely to see higher financial returns.

- **69%** of companies have achieved higher financial value than they expected from their climate action.

**Element 3: You need more action for better returns**

For this survey, we mapped 32 actions that speak to an organization’s decarbonization maturity.

The good news is that nine out of 10 respondents have public climate change targets.

- **Only 42% of companies plan to commit to net zero by 2050**.

The bad news is that 11% of companies have committed to net zero before 2030.

5. **Report what matters – and stop there.**

**Element 4: Five ways to accelerate your decarbonization pathway**

To accelerate your response to climate change and drive better financial outcomes, you have a few steps on the journey to consider.

**Discover how the EY Sustainability team can help you accelerate decarbonization and create value for your business, society, and the planet.**

4. **Think like an owner.**

- Embrace value-led sustainability.
- Can help companies unlock more value from their climate actions.
- Can help organizations take a more strategic approach to business transformation.

3. **Prioritize climate in your decision tools.**

- Make climate experience a factor in board or management selection.
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