

Ecologi

From risk to reward:

How UK businesses are
building resilience to
deliver long-term value

Climate Commitments Report 2026

in partnership with **BusinessGreen**[™]



01. Foreword

When we set out to undertake the 2026 edition of our Climate Commitments Report, our aim was to better understand how today's shifting political, economic and environmental realities are influencing business.

We wanted to explore how businesses are experiencing the impacts of climate change, whether they remain committed to their climate goals, and what this means for the pace and direction of corporate action.

Our findings paint a clear picture: climate impacts have become a present-day business reality. More than four in five organisations reported experiencing at least one climate-related shock in the past two years, and that these climate impacts are visible on the balance sheet. In response, organisations are increasingly viewing progress towards net-zero as a critical component of their long-term resilience, competitiveness and revenue protection.

This year's survey also points to a widening awareness gap between how business resilience and the natural environment are linked. Encouragingly, many organisations recognise the value of investing in nature within their value chain. However, a significant proportion still underestimate the extent to which their

operations depend on healthy natural systems. This highlights an important challenge for the years ahead: helping businesses better understand and address nature-related risks alongside climate risks.

Despite a more complex and turbulent operating environment, the overall direction of travel remains positive. The overwhelming majority of businesses continue to recognise a strong business case for climate action, and many are actively working towards net-zero targets. At a time when the global climate finance gap remains substantial, our findings underline the vital role the private sector will play in mobilising investment and driving progress during the decisive years leading up to 2030.

This year's survey reflects a business community that is navigating uncertainty while increasingly recognising that climate action, resilience and long-term value creation are deeply interconnected.

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Sam Jackson
Director of Climate
Science and Impact

For the past few years, the green economy has been a confusing place. Talk of an 'ESG backlash' and a fracturing political consensus has fuelled the perception that sustainability is falling down the corporate agenda.

Yet climate impacts are increasingly obvious, and clean tech records are toppled weekly. Overcoming this disconnect is crucial to pushing sustainability back into the boardroom and accelerating climate action.

Fortunately, a new narrative is emerging as businesses recognise the strategic and commercial value unlocked through bolder sustainability efforts. This report reveals that any supposed softening of corporate climate engagement was based more on political headlines than the economic fundamentals driving the green economy for over a decade. Indeed, the business case for clean technologies and circular models is stronger now than ever.

This survey shows that a vast majority of business leaders understand climate change is a material risk already impacting operations and driving up costs. Consequently, decarbonisation and adaptation are widely recognised as

essential tools for enhancing resilience in a volatile world. Clean technologies and environmental best practices consistently reduce costs and enhance competitiveness; the proof points are in, and the business cases are robust.

These trends will only intensify, as recent energy shocks demonstrate how sustainable business models play a crucial role in both bolstering resilience and generating rewards through reduced costs and new revenue streams.

Inevitably, challenges persist. Risk awareness, especially regarding nature, does not always translate into action, and economic headwinds can stall upfront investments. Policy frameworks also remain inconsistent. Yet, encouraging signs show clarity is returning to the corporate agenda. The risks are increasingly obvious, but so too are the rewards, and a large majority of leading businesses remain fully committed to seizing them.

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A handwritten signature in black ink, appearing to read 'James Murray'.

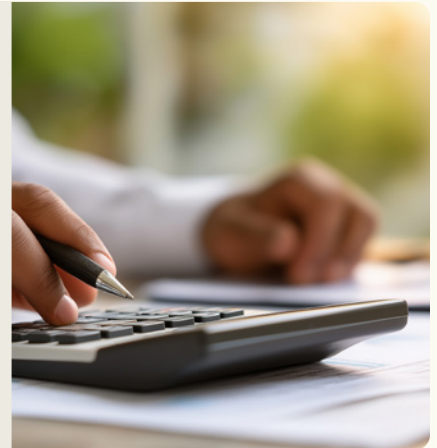
James Murray
Editor-in-Chief

02.

Executive summary

The 2026 Climate Commitments Report delivers a clear verdict that **climate change is costing UK businesses**. It is a present-day financial reality. Across the UK private sector, environmental disruption is eroding revenue, reshaping strategy and rewarding those taking decisive action.

This report maps that journey across three defining pillars: **Risk, Resilience and Reward**.



Risk

The "climate-immune" business doesn't exist.

Nearly nine out of ten businesses report already dealing with the tangible fallout of environmental change, proving that environmental disruption is now near-universal.

This widespread exposure translates into **severe balance sheet damage: 70% of UK businesses** report annual turnover loss of **more than 1%** in the past year due to climate-related impacts.

For more than half of this group, **40%** of businesses we surveyed, this loss has reached **6% or more** of their annual turnover.

Over a third of large companies (250-999 FTE) appear to carry disproportionate climate financial exposure, having placed themselves in the **6-10%** of annual turnover impact bracket.

Nearly a third (31%) of organisations report increased operational costs due to energy price volatility or resource scarcity. This is further compounded by **28%** of businesses reporting an increased cost of raw materials and 22% suffering from direct supply chain disruptions.



Resilience

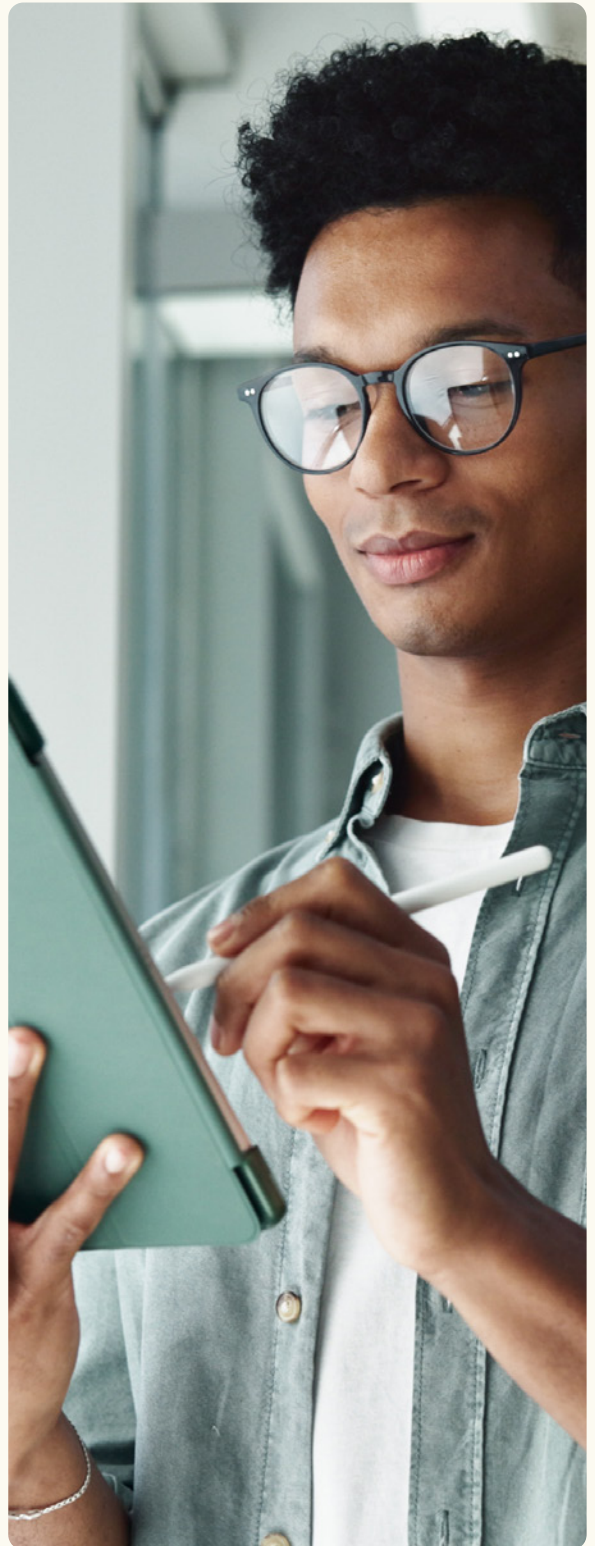
To secure future cash flows, businesses are transforming sustainability into a practical defensive asset.

83% of businesses agree that taking measurable steps towards net-zero is essential to protect future revenue and operational resilience.

Proactive planning is rapidly becoming the default corporate standard as **61%** of businesses have adopted a formal, structured approach to climate resilience.

Despite strong net-zero alignment, a dangerous operational disconnect is simultaneously widening across the market because only **58%** of businesses acknowledge that their operations **depend on nature and biodiversity to function** - a drop of 9 percentage points from what was reported in 2025.

However, businesses still face persistent barriers slowing their sustainability progress, including financial limitations (28%), high tool costs (26%) and time pressures (25%). But to build resilience, businesses that only measure and reduce their emissions remain vulnerable unless they take action to restore the wider ecosystems their operations depend on.








 **Reward**

Corporate sustainability has transitioned from a compliance requirement into a significant driver of commercial value.

Of the **74%** of businesses reducing their emissions, nearly all report experiencing commercial benefits. Across all benefit categories, an average of **41%** of those businesses reported moderate to significant uplifts.



Commercial benefit	% Reporting it	Est. average uplift
 Improved brand image and recognition	31%	+15.5%
 Attracting more eco-conscious customers	30.6%	+14.6%
 Increased revenue	22.8%	+14.4%
 Competitive advantage	26.2%	+14.1%
 Reduced costs and operational efficiency	27.9%	+13.4%

Firms reducing their emissions achieve a **15.5% average uplift in brand image** and a **14.1% boost in competitive advantage**. These sustainable practices also secure a **14.6% rise in eco-conscious customer attraction**, a **14.4% increase in revenue**, and a **13.4% reduction in operational costs**. Ultimately, purpose and profit have converged, allowing forward-thinking organisations to mitigate environmental risks and reap commercial rewards.

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