

Embracing the possibilities of our green future

Ladies and gentlemen, it is a pleasure to speak at this Business Climate Leaders Summit.

In the fight against climate change, it is vital that we have the innovation, the influence and the energy of the private sector on our side.

And so I am really pleased to say that business has been stepping up to the plate.

Through investments and innovations, companies are developing the solutions we need to make the transition to a low-carbon future.

And momentum for real, meaningful climate action is growing across the corporate world.

In 2015, the countries of the world signed the Paris Agreement, and established a framework to tackle the climate crisis.

That included a commitment to limit global average temperature rises to well below two degrees celsius, whilst pursuing efforts to limit the rise to 1.5 degrees.

Back then, in 2015, a movement was just beginning for businesses to set emission reductions targets.

Today we have over 2000 companies and 130 investors signed up to the Race to Zero.

It's the gold standard of climate action.

It's a rigorous and robust commitment to help to keep the 1.5 degree target within reach.

By reaching net zero by 2050 at the latest.

And by setting short term targets, based on science, to get there.

A third of the UK's largest firms have joined. Including Sainsbury's, Natwest, and National Grid.

Race to Zero membership spans the globe, and indeed the economy.

Firms from every sector are on board – from transport to retail, from finance to construction.

Including of course those industries where the move to net zero poses the greatest challenges, like, for instance, cement.

And momentum continues to grow. We have more than twice as many company members today than we did last September.

Such action from business is vital for two key reasons.

Firstly, meeting the goal of the Paris Agreement, and limiting global temperature rises, depends on changes across the real economy.

Secondly, action from companies encourages action from countries.

To make bold commitments, governments need to know that they will be welcomed, not resisted by business.

That firms are indeed clamouring for climate action.

Joining Race to Zero sends just this message.

So the increase in membership of course is absolutely fantastic.

But, we need it to move faster. Much faster.

Because to keep the 1.5 degree goal within reach, we must halve our emissions over the next decade.

So I am urging all companies to get on board and join the Race to Zero ahead of the UN Climate Conference COP26, this November.

Not only for the sake of the planet, but for the sake of your bottom line.

Today, we will hear from leading CEOs about how their companies have benefited from shifting their business model to align with net zero.

And it is clear that the world is moving towards a clean, green future.

When the UK was announced as the host of COP26, less than 30 percent of the world economy was covered by a net zero emissions target. Today, it is 70 percent of the global economy.

Every country in the G7 now has a short-term emissions reduction target that puts them on a path to net zero emissions.

Wind and solar power is now cheaper than new coal and gas across most of the world.

And the green economy presents huge commercial opportunities. While those that do not move now risk being left behind.

Analysis suggests that, together, 215 of the world's biggest companies have almost \$1 trillion at risk from climate impacts.

Yet, those same companies have the potential to gain double that amount from the move to green economies.

Joining Race to Zero is a clear statement that you can see the possibilities

our green future presents. And that you are determined to take them.

It also tells your customers that you are serious about genuine climate action.

So, to those companies that have joined the Race to Zero, I say: thank you

And, now, please encourage your peers to do the same. Get them to sign up.

And to those companies that have not yet signed up, I say: please, join us.

Take the opportunities presented by the low carbon economy.

And play your part in this momentous year for climate action, the year of COP26.

Thank you.