

Statement for COP26

The Intergovernmental Panel on Climate Change has shown that human activity is unequivocally causing our climate to change, and this is already affecting every region of the world. Climate change is the single-greatest threat to global systemic financial stability, and its impacts will be felt by all companies. It poses major short, medium and long-term risks, requiring boards to put climate considerations at the heart of their strategy, risk management and disclosure processes.

In the face of increasing regulation and stakeholder expectations, companies must prepare for a transition that will be unprecedented in both scale and pace. They must therefore respond by adopting an integrated and strategic approach that is led by their board of directors.

With COP26 front of mind and momentum building for potentially ambitious policy commitments, now is a critical time for boards to engage with the impacts of climate change, guide long-term plans and translate these into immediate, practical action. This includes ensuring that their business strategy is resilient in a low-carbon future and the executive team has the skills to deliver it. Companies should also consider the effect of such a large-scale transformation on the workers, suppliers and relevant communities affected by their operations, and that will, in many cases, be forced to reinvent themselves in the face of rapid change.

We are a global network of directors' forums with a mission to facilitate the transition to a net-zero economy by 2050 or before. Together, we are committed to reaching ambitious climate goals by promoting effective climate governance practices and behaviours on boards of directors. We are building a community of climate-conscious directors committed to developing the skills and understanding necessary to fulfil their duties in the long-term service of their companies.

Collectively, we have an overall network exceeding 100,000 individuals. These individuals can influence trillions of dollars of capital and the emissions of the thousands of companies through the boards on which they serve.

If you are a board director, you have an opportunity to play a part in the global response to the climate emergency. Your commitment and leadership are essential for the success of your company's transition to a net-zero economy.

About the Climate Governance Initiative

The Climate Governance Initiative mobilises boards of directors around the world to address climate change in their businesses. We do this by developing and supporting national associations that equip their members with the skills and knowledge needed to make climate a boardroom priority building on the World Economic Forum's [Principles for Effective Climate Governance](#).

Find out more <http://climate-governance.org/>