How will action today shape the future of climate and nature?

EY Global Environment Strategy

The better the question. The better the answer. The better the world works.

EY

Shape the future with confidence

Shaping the future with confidence

Climate change and nature loss are impacting global economies and societies today. Without accelerated investment and action – including decarbonization, and halting and reversing nature loss, the risks and impacts to business, people and our planet increase exponentially.

Find out more about our progress to date in the [FY24 EY Environment Report](#).

The fiscal year for EY spans from July to June.

Delivering on our commitment

At EY, we drive sustainability impact across three dimensions: understanding and managing the environmental impact of our organization; building capacity, convening key stakeholders and applying our deep technical knowledge to drive positive change; and advancing progress across the globe through support of EY clients in their own transition programs.

In this document we outline our strategy for managing our environmental impact between FY25 and the end of FY30. Our progress to date and ambition for the future is the foundation for our plans and impact.

In FY21, we announced a commitment to a 40% absolute greenhouse gas (GHG) emissions reduction across the EY network by 2025 against an FY19 baseline.

This shaped a seven-point plan to drive decisions, investment and focus throughout the EY organization targeting science-aligned decarbonization, skills development and client service transformation. It was important to us to demonstrate that ambition would drive action that was both needed and possible.

For the fourth year in a row in FY24, EY [reported](#) progress against this plan including a 40% reduction in absolute market-based GHG emissions and a 42% reduction in Scope 3 travel emissions against an FY19 baseline. We expanded our global electricity consumption from renewable sources to 88%, including virtual power purchase agreements and energy attribute certificates. And we were announced as an early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD) framework.

In line with our commitment to review our progress and plans within five years, the EY Global Environment Strategy updates our targets and evolves our plans in line with global standards and frameworks to build on the progress already made.

This strategy reaffirms our commitment to taking the action that counts for our environmental impact, adopting an all-of-environment approach encompassing the interconnected issues of climate and nature, and engagement with the EY value chain.

To build upon our progress to date, EY has reviewed and evolved its carbon ambition which included goals to 2025, to meet the current guidelines for net zero. This includes both a near-term target to halve emissions by FY30, and deep, sustained emissions reductions over time to achieve net zero by FY50 (90% GHG emissions reduction), both against an FY19 baseline.

Over the next five years, these commitments integrate with the EY 'All in' business and transformation strategy, shaping sustainable growth for the EY organization, enabled by our people.

Crucially, through the integration of technology, we have achieved both near-term progress and developed our long-term capacity to support behavior change, monitoring, reporting, scenario planning and client delivery. Backed by enhanced governance and reporting throughout the EY network, our strategy can flex and respond to our business, the evolution of sustainability standards and frameworks, and the wider environment.

Alongside the continued transformation of our skills, and our work supporting clients across the globe in their transition, we will contribute to the wider societal progress needed to 2030 and beyond. Together with wider action through our social engagement EY Ripples program, we are committed to driving progress, integration and innovation to help deliver for people, planet and society. Learn more in the [EY Value Realized report](#).

> “We are committed to sustainable growth, making investments and driving actions that can create new value for society and the environment.

Janet Truncale
EY Global Chair and CEO

> “Sustainability underpins our growth, transformation, collaboration and innovation, all enabled by the contribution of our people.

Harsha Basnayake
EY Global Managing Partner – Business Administration and Risk

> “We are committed to playing our part in translating ambition to action, in our business, with our people and clients, and in wider society.

Amy M. Brachio
EY Global Vice Chair – Sustainability

By the end of FY30 we will:

- Halve absolute GHG emissions against an FY19 baseline.
- Develop new metrics and actions to integrate nature-positive practices for water, waste and pollution.

When it comes to climate and nature, we understand that we need to make progress at the same time as standards develop and evolve. That's why this strategy reaffirms our science aligned commitment to net zero outlined in FY21 while also recognizing updates to standards for net zero plans. That means, building on our 40% GHG emissions reduction to date, we have set a near term target of halving emissions by the end of FY30, with a long term net zero target of 2050. Our baseline (FY19) remains the same, driving further progress and deeper, sustained reductions over time. We will continue to supplement our decarbonization with carbon offsetting to drive the near term action and investment in carbon markets needed (see page 5). With a focus on near-term action through to the end of FY30, this will expand on the EY organization's positive impact while contributing to the progress needed globally over the near and long term.

The EY Global Environment Strategy takes an all-of-environment approach, prioritizing:

- **Climate:** GHG emissions and energy management
- **Nature:** Pollution, water, waste, ecosystems conservation and restoration (including EY office locations)

With a new purchased goods and services emissions reduction target, we are placing a greater emphasis on mobilizing our value chain, including close collaboration with suppliers and alliance partners to reach these goals.

We will submit our plans for independent validation in 2025.

Our progress and plans

Building on progress through to FY24, the EY Global Environment Strategy drives near-term actions to the end of FY30 to continue to enable the decarbonization of our business. Over the long term, we aim to achieve a science-aligned net zero target by FY50, or earlier in countries where progress and innovation allow for faster transition to net zero.

Our EY Global Environment Strategy is bolstered by enhanced governance, engaging across functions and geographic leadership. A recently formed working group with leadership representation from the largest EY member firms helps to align the organization around specific targets, address challenges of operationalization and monitor organization-wide performance.

We remain committed to investing in a carbon offset portfolio that incorporates both nature- and technology-based solutions, and have developed enhanced due diligence and an internal carbon price to fund investments.

Technology and data will enable our strategy and support us to build on progress. For example, nudging EY travelers with suggestions for more sustainable travel options, scenario planning, and monitoring and optimizing our travel, energy and buildings operations.

Ongoing integration of nature and climate actions will include further data gathering and planning for green IT, green buildings, air pollution, natural environments, waste and water consumption.

Progress

To 2024

GHG emissions

- Since FY19, EY has grown 41% by revenue and 36% by people, while our total emissions declined by 40% to 832k tCO_2e.
- Emissions intensity per dollar of revenue has declined by 52% and our emissions per FTE by 50%.

Energy

- Joined RE100.
- 88% of electricity consumed was matched with renewable energy sources.

Travel

- 42% reduction in travel emissions.
- Developed and implemented business travel emissions calculator.

Supply chain

- 61% of top suppliers by spend have a validated SBTi target.

Nature

- Early adopter of TNFD and completed a readiness assessment with the first report.

The next phase

By the end of FY30

GHG emissions

- Further reduce emissions to 50% against a FY19 baseline following a 1.5 degree pathway for scopes 1, 2 and 3. This includes a further 25% reduction in Scope 3 emissions from FY24 to FY30.

Energy

- Achieve our RE100 commitment by procuring 100% renewable electricity.

Travel

- Continue to reduce the impact of our travel using technology and individual traveler scorecards that help EY people make informed choices.
- Expand travel strategy to purchase sustainable aviation fuel certificates for 5% of EY's overall air travel.
- Reduce EY vehicle emissions by 85%.

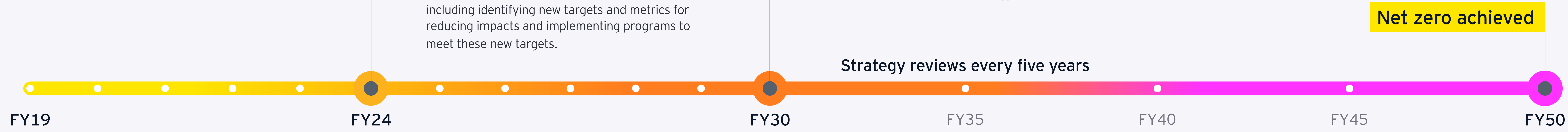
Supply chain

- Include purchased goods and services in our emissions footprint.
- Drive greater collaboration with suppliers and alliance partners to reduce emissions linked to purchased goods and services.

Nature

- Develop and integrate new nature-positive practices including identifying new targets and metrics for reducing impacts and implementing programs to meet these new targets.

Targeting impact where we can create the most value



Driving impact in multiple dimensions

When it comes to achieving climate and nature goals, we are committed to leveraging our resources to support and accelerate the transformation to a new economy in which business, people and the planet thrive.

Building capacity

Engaging and upskilling our people

There is no role that will be left unaffected by the impact of climate change. That's why continuous sustainability skills development is vital in every organization and in the delivery of our strategy.

It not only supports ongoing development for a more rewarding career, it builds our organization's wider capabilities and capacity to inform and accelerate change, by supporting EY people to see decisions from different perspectives.

Supporting the EY Global Environment Strategy, we will continue to integrate sustainability learning opportunities at all levels across the EY organization including on the latest standards, solutions and science underpinning climate and nature. By embedding a culture of continuous learning on the evolving risks and opportunities, this will support client and stakeholder engagement with environmental challenges.

To date, more than 83,000 EY people have completed Sustainability Now — our sustainability literacy course, enhancing our capabilities and accelerating learning. Over 11,300 Sustainability EY Badges were awarded for including 48,000 learning hours on climate change, the circular economy and sustainable finance.

Alongside learning opportunities, our Sustainability@EY internal community of action has more than 5,000 members, 50% at junior levels in the firm, with regular updates on key sustainability developments, including from major events such as the UN Conference of Parties (COP) summits and World Economic Forum meetings.

Accelerating and enabling change

For more than 20 years, EY Sustainability teams have supported clients in tackling emerging and evolving issues linked to climate change and nature. Our sustainability services are designed to help clients manage risk, reduce cost, spur innovation, build trust and achieve measurable results across three key themes: specialist sustainability skill-led support; compliance and reporting; and strategy and transformation.

Our global organization includes 4,000 professionals dedicated to sustainability and climate change. Through wider integration of sustainability within our industry teams, and bringing in law, tax, and energy professionals where needed, we provide a full spectrum of sustainability services that help our clients to identify risk, create new products and respond to policy and regulatory change. In FY24, EY teams supported nearly 12,000 clients to implement climate change responses at scale.

We work across every sector of the economy, building trust and engagement, enabling client accelerator programs, and building wider organizational and sector capacity and skills for the long-term transition. For example, in the aerospace and defense sector, we developed a roadmap to support the industry's 2050 net zero goal. In the pharmaceutical sector, we have supported end-to-end ESG journeys spanning regulatory reporting readiness, strategy development and implementation, governance, carbon goals and health equity. In banking and finance, EY supported net zero sustainability strategy development, sectoral target setting and employee-wide sustainability training. The scope of our expertise and impact is recognized by leading analysts. The EY organization was designated the "#1 Leader" in the 2024 Verdantix Green Quadrant: ESG & Consulting Report and "Leader" in IDC MarketScape reports.

We also play an active role in supporting informed discussion and development of policy responses, frameworks and standards. For example, we have engaged with the ISSB, TNFD and the Nature Positive Initiative to support and inform standards development. At major climate and nature forums for business and policy, we convene and engage with clients and other stakeholders to inform and advocate for policy, investment and action, including the World Economic Forum, New York Climate Week, the annual UN-led climate change COP and Convention on Biological Diversity summits. We collaborate across sectors in advocating for action including with the Sustainable Markets Initiative, World Business Council for Sustainable Development, RE100, the First Movers Coalition on sustainable aviation fuels and the Global Renewables Alliance call to action to triple renewable power capacity by 2030.

Accelerating integration

Integrating nature

Nature underpins climate action. While our initial ambition was focused on carbon, EY went further than our planned commitments by taking action to support nature-positive initiatives. As an early adopter of the TNFD recommendations, we will publish a TNFD-aligned report as part of our FY25 reporting. We have already completed a readiness assessment to understand our dependencies and impacts on nature across the business, and identify the associated risks and opportunities, including:

- Direct operations: covering all 815 member-firm offices and 14 co-location data centers internationally
- Supply chain: covering 49% in FY23 of addressable spending by EY entities purchasing goods and services
- Services: covering revenue from delivery of client services by member firms

One example of how we are investing in nature is our investment in the tools required to help our clients understand their nature impacts. We conducted nature assessments of EY real estate across the globe utilizing the internally developed EY Nature Analytics Tool (NAT). EY NAT is a geospatial tool that collects data from more than 35 nature-related maps to automate the identification of biodiversity and nature-related impacts.

The readiness assessment has been a transformative process, providing a solid foundation for EY environmental initiatives. It has informed the EY Environment Strategy, helped refine metrics and targets, and contributed to strengthened governance. We are committed to building on this foundation to achieve our vision of a sustainable and nature-positive future.

Biodiversity has risen on the corporate agenda. There is a significant inflection point around nature risk as awareness increases of the need to transition globally away from nature loss and degradation, to nature restoration and regeneration. In 2024, EY took a senior delegation of 23 nature and biodiversity specialists, from 10 countries to the UN-led COP16 summit in Cali, Colombia. Present through the entirety of the summit, the delegation worked across public and private sectors to inform and advocate for actions to support investment, corporate action and nature-positive solutions needed for long-term nature restoration and regeneration.

Channeling investment, carbon reduction and removal

Voluntary carbon markets play a crucial role in supporting organizations' transitions by addressing emissions that cannot be removed or avoided in the near term, while also channeling finance to projects supporting sustainable and low carbon development. For EY, offsetting has never replaced the need to set and progress emission reductions year on year.

The EY Global Environment Strategy will prioritize emissions reductions over time. Supplementing this, we will continue to invest in nature- and technology-based solutions through our offsetting strategy, backed by an enhanced due diligence program and an internal carbon price to fund investments.

Our strategy will develop long-term investments and collaborations examining the full spectrum of solutions – for example, addressing deforestation and reforestation, carbon capture or direct air capture. In FY24, removal projects increased to 38% from 22% in FY23, and we will increase this share over time.

There has been significant attention on standards and regulation of the voluntary carbon markets. We have continuously assessed and enhanced our processes, aligning our project selection criteria with Integrity Council for the Voluntary Carbon Market standards. We are also assessing demand side frameworks, including the Voluntary Carbon Markets Integrity Initiative, to support raising the bar for standards of quality, transparency and trust in the voluntary carbon markets.

Trillions of dollars in climate finance need to be deployed annually to remove carbon from the atmosphere. Trust, integrity and informed regulation is crucial. As the voluntary carbon market evolves, EY is supporting and informing business and policy engagement and collaboration, including with the Sustainable Markets Initiative at New York Climate Week and the UN-led COP summits.

Convening and enabling stakeholders

Seeing the future from every angle

Through major events including EY Innovation Realized, VivaTech, Cannes Lions, and New York Climate Week, we are provoking strong and urgent conversations about action for climate change. Our Four Futures immersive experience takes participants on a journey into four radically different futures, each one representing the outcome of the different sustainability pathways that we can take today. Using avatars who speak from the future about their experience of life following action taken or not taken on climate change and nature, visitors can see, hear and feel the scenarios, before returning to the present day and being challenged to reflect on our agency to influence our shared future through greater ambition and action. Showcased at COP28 in Dubai with over 2,000 visitors, it has since visited 13 countries and is being shared as an immersive experience for clients.

Advancing nature metrics

EY is collaborating with the Nature Positive Initiative and The Biodiversity Consultancy to help create consensus on a set of minimum and meaningful (measurable) metrics for companies, investors and other actors to begin to measure nature-positive outcomes that support the goals of the Global Biodiversity Framework, engaging over a hundred organizations. A report on the consultation will be launched in early 2025.

Collective action to boost SDG momentum

As a proud participant in the United Nations Global Compact (UNGC), the EY organization is committed to advancing the framework of the Sustainable Development Goals (SDGs). Through the EY Ripples program, EY people devote their time to SDG-focused projects, bringing together the combined skills, knowledge and experience of the EY organization in pursuit of one shared vision: to positively impact one billion lives by 2030. In FY24, year five of the program, more than 168,000 EY participants worked on EY Ripples projects, positively impacting more than 64 million lives. Since EY Ripples launched in 2018, we have positively impacted more than 192 million lives. Throughout FY24, EY invested US$169 million into projects dedicated to strengthening communities, and EY people contributed 934,000 hours to a variety of initiatives and in-kind projects.

Accelerating sustainable development

With the understanding that together we can achieve what no organization could achieve alone, through the EY Ripples program EY collaborates with clients and shared purpose organizations on social impact initiatives on a pro bono basis to drive action toward the UN SDGs. TRANSFORM, one of our flagship initiatives, embodies this ethos. Led by Unilever, EY and the UK Foreign, Commonwealth and Development Office (FCDO), TRANSFORM unites corporates, donors, investors and academics to help scale visionary impact enterprises across Africa, Asia and beyond. To date, TRANSFORM has funded c.125 projects with enterprises across 17 countries, and positively impacted the lives of more than 16 million people. TRANSFORM's impact acceleration model creates a win-win scenario and showcases how by mobilizing through new models of partnership, companies can drive groundbreaking innovation that exponentially increases societal benefit, while systematically delivering employee engagement and business value.

In June 2024, we launched a new US$21 million initiative together with USAID and Unilever – Catalyzing Inclusive, Resilient, and Circular Local Economies (CIRCLE) Alliance. The CIRCLE Alliance aims to catalyze meaningful and lasting solutions that improve circular economies for plastics across South and Southeast Asia – starting in India, the Philippines, Indonesia and Vietnam. CIRCLE will work to scale innovative startups and scale ups, while advancing women's economic empowerment and supporting effective mandatory extended producer responsibility (EPR) systems, in a systems change approach to reduce plastic use and tackle plastic waste.

Driving impact for a new economy

Against a backdrop of long-term systemic transformation of energy systems, land use, business and policy, sustainability is a key strategic driver for every organization, presenting business-critical risks and opportunities. Leaders today are being asked to adapt to unknown and evolving challenges.

The next five years are crucial. Action is needed to secure progress on climate and nature by 2030, to underpin a longer-term stable, affordable and equitable transition. We are committed to playing our part in translating ambition to action, in our business, with our people and in wider society.

The actions we have taken since FY21 have delivered progress, integration and innovation. From decarbonization and energy efficiency, to expanded reporting and enabling technology, to investing in our skills and services, the legacy of the first phase of our carbon ambition is how it has embedded sustainability in the wider growth and evolution of our business for the long term.

Our progress in reducing emissions reinforces how climate change and nature are indivisible from business and policy responses that underpin growth, risk management, skills, equity, reporting and regulation.

The shifting policy environment will require us to remain anchored in science, harness emerging technologies, lean into innovation, and collaborate with our entire ecosystem. Progress will be hard fought – particularly considering the complexity of navigating our value chain, the multi-speed transition likely to be experienced by clients and countries, and the need to develop frameworks to measure the impact of client work over time.

Our strategy integrates further annual and five-year reviews against progress, standards and the wider transition needs so that we are responsive to regulatory, economic and social context to help deliver for the public interest. We are committed to continually assess and evolve our Environment Strategy over time. This includes aligning with potential changes driven by countries' Nationally Determined Contribution plans to 2035, due to be submitted by countries under the Paris Agreement before the end of 2025.

Our focus on specific near-term actions, including reducing our impact on nature and halving emissions by FY30 against an FY19 baseline, are examples of how business can identify actions that count now, and for the long term.

We're committed to operating as a network, to supporting our clients to take action, to lending our skills to drive the sustainability agenda forward, to engaging with EY people and our value chain to help deliver progress toward 2030 and 2050 goals to decarbonize, and to halt and restore nature and biodiversity loss.

Progress isn't optional. Having the confidence to act and deliver progress is at the core of how we strive for public trust, accelerate wider societal ambition and action, and deliver employee pride in our organization.

Click on the images above to download a pdf of our FY24 EY Environment Report.

The EY Global Environment Strategy complements our EY Environment Report for FY24 – offering deeper focused insights on our environmental dependence and performance. The EY Environment Report provides an integrated source of business-relevant environmental information for our stakeholders globally. Combining climate and nature disclosures, the report utilizes the framework established by the TCFD and adopted by the TNFD.

Click on the images above to download a pdf of our FY24 EY Value Realized report.

An annual report on how we are creating value and shaping the future for EY people, clients and society featuring sustainability-linked disclosures, including the World Economic Forum's International Business Council (WEF-IBC) stakeholder metrics, and our commitment to the UN Global Compact's Ten Principles.

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

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