

A Report from CDP and WWF: Uncover Billions in Hidden Profits from Climate Change Action

[*The 3% Solution: Driving Profits Through Carbon Reduction*](#), released today by World Wildlife Fund (WWF) and CDP, provides a groundbreaking assessment of how companies can reap big profits from cutting their carbon emissions, simultaneously helping the world avoid runaway climate change.

The analysis demonstrates that if US businesses act now to reduce emissions by an average of 3% annually, they can save up to \$190 billion in 2020 alone, or \$780 billion over 10 years.

The report shows that 4 out of 5 companies from the S&P 500 who report their emissions to CDP see bigger financial returns on their carbon reduction investments than their overall capital investments, making reallocation of their capital expenditures a sound business decision.

To unlock the billions of dollars in cost savings, on average the US corporate sector would need to invest 3 to 4% of their capital expenditures each year on low-risk, profitable carbon reduction projects.

To help companies reach these goals, the report also includes an innovative [Carbon Target and Profit Calculator](#), which provides a guide for companies to set emission reduction goals and to claim their share of the savings.

The analysis also introduces the Carbon Productivity Portfolio, a set of five actions built upon the experiences and successes of leading companies that form a new strategic approach to maximizing business value and carbon reductions.

WWF and CDP are now recommending that companies interested in capturing these savings do the following:

1. Run the calculator and set or revise a carbon reduction target to claim the company's share of the savings
2. Reallocate capital to deliver better returns at lower risk
3. Translate the savings to the company's bottom line

The report is built upon rigorous analysis by several of the world's leading consulting firms, namely McKinsey & Company, Point380 and Deloitte LLP. In addition the report draws upon data reported to CDP from major U.S. businesses, case examples from WWF's [Climate Savers](#) program in the US, dozens of interviews with corporate leaders, and the real-world experience of consultants working directly with businesses to cut costs and shrink their carbon footprints.