

# CDP 2025 Corporate Health Check



## The annual state of Earth-positive business action in Japan

The CDP Corporate Health Check assesses business progress across five critical climate and nature areas: disclosure, target setting, governance, strategy and progress. The analysis **identifies four key levers pulled by companies driving change with their data**: executive incentives, carbon pricing, climate transition plans and supplier engagement.

# 41%



of Japanese companies on track to meet their climate targets

# 10%

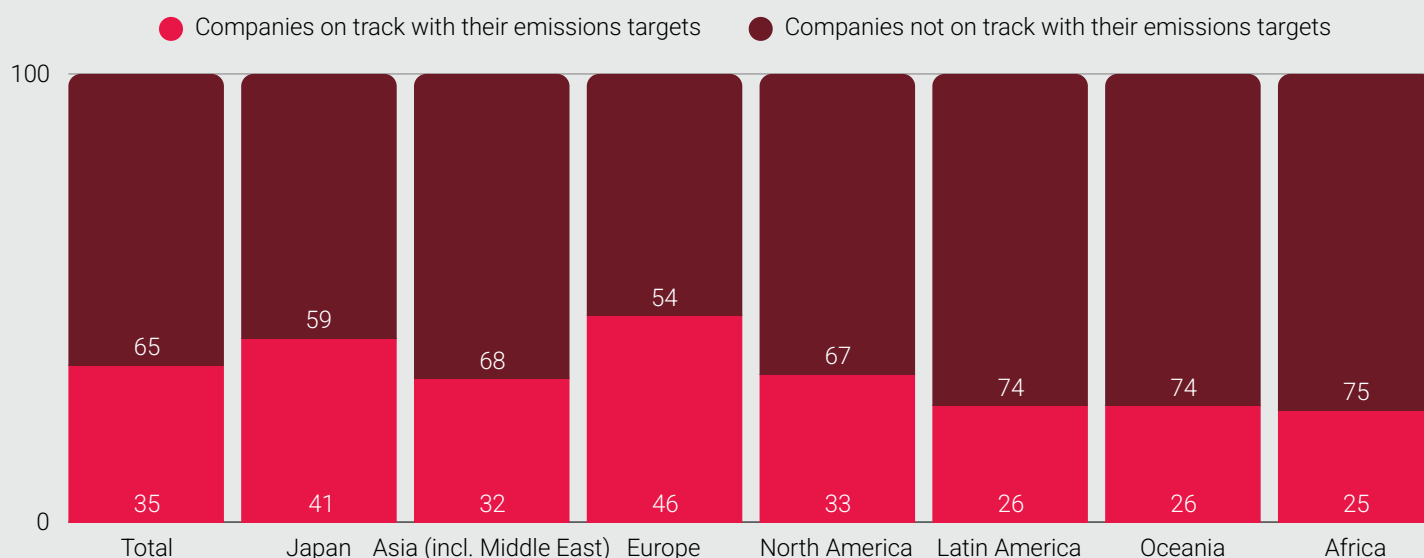


market capitalization growth by Japanese companies on track, in line with those not on track to deliver their target

### Key findings: Japan

- **41% of Japanese companies (530) assessed are on track to meet their climate targets, the highest number globally .**
- Of those Japanese companies on track, nearly 70% link executive-level pay to these goals, signaling strong accountability at leadership level.
- Only 26% of disclosing companies in Japan have climate targets covering their full value chain and just 11% have both climate and nature targets — revealing a major gap in comprehensive, ambitious target-setting.
- **On average, companies demonstrating progress on climate targets experienced a similar pace of growth in market capitalization (+10%) to those not on track to deliver their targets, showing planet and profit can be balanced.**
- 11% of Japanese companies are making progress across all environmental indicators, aligned with the global average of 10%, highlighting the widespread challenge of fully integrating Earth-positive decision-making into business models.

### Percentage of companies on track with their emissions targets

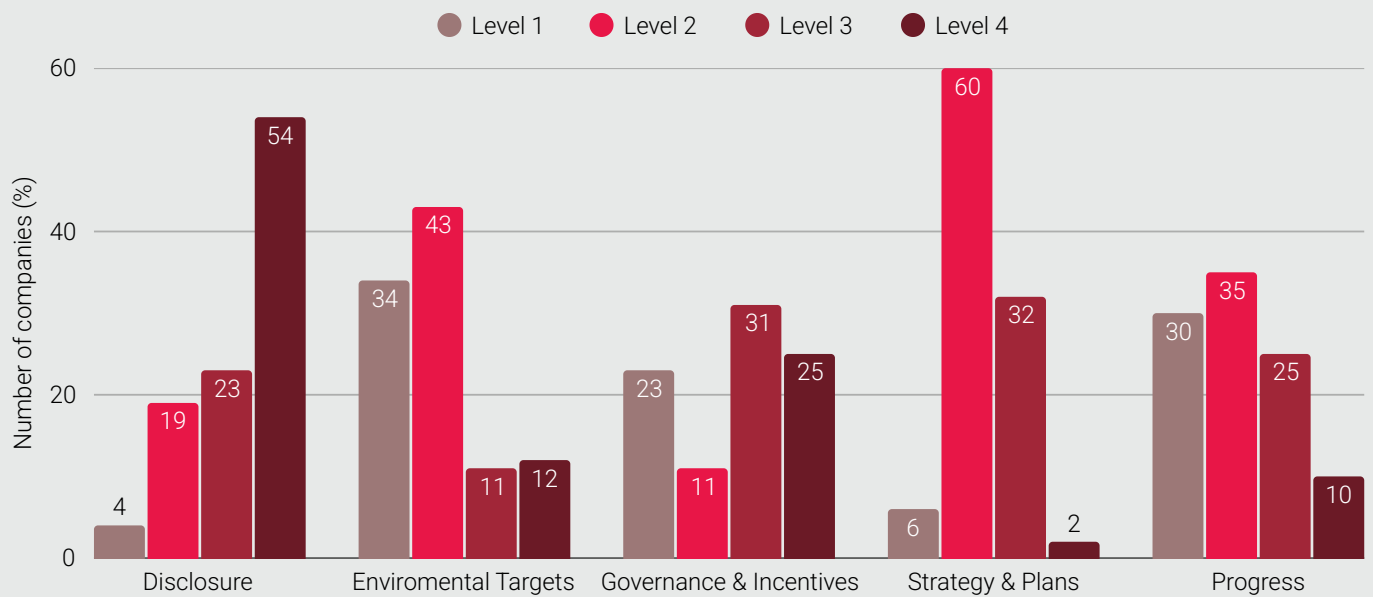


The Corporate Health Check assesses companies in aggregate and assigns one of four levels:

- **Level 1:** Falling Behind
- **Level 2:** Meeting the Minimum
- **Level 3:** Showing Ambition
- **Level 4:** Charting Change

Based on their progress upon five critical areas of climate and nature (disclosure, environmental targets, governance and incentives, strategy and plans, and progress), the data shows one in 10 companies globally reaching at least Level 3, while less than 1% of companies globally are at Level 4.

## Corporate Health Check Overview - Japan



## About the CDP Corporate Health Check

The CDP Corporate Health Check assesses companies, representing 67% of global market value for their climate and nature transparency, targets, governance, strategy and progress to cut impacts.

In partnership with Oliver Wyman, the indicators for the CDP Corporate Health Check were developed as part of the World Economic Forum’s State of Nature and Climate publication.

For more information, and to read the full CDP Corporate Health Check report, scan or click the QR code below.

