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Climate Finance and Corporate Resilience: Building Sustainable Financial Strategies in an Era of Climate Risk

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ABSTRACT

Financial and operational pressures due to climate change are growing more common in the business world, therefore, moving climate finance to the heart of sustainable financial strategy and organizational resilience. This study observed the impacts of climate finance on enhancing the resilience of companies and evaluated how corporate financial strategies are bolstered by climate-risk management, sustainable financing, green investment and environmental disclosure. A cross-sectional quantitative research design was used and primary data was collected using a structured questionnaire from 300 corporate professionals, financial managers, sustainability officers and other employees within the organisation. Descriptive statistics or Cronbach's alpha reliability analysis was used for data analysis. In the results measured internal consistency of the scale was good with all the scale constructs having Cronbach's alpha values ranging between 0.82 to 0.91 and the overall scale had a reliability coefficient of 0.93. Descriptive findings showed that corporate resilience recorded the highest mean score ($M = 4.01$, $SD = 0.65$), followed by climate-risk management ($M = 3.94$, $SD = 0.68$), green investment ($M = 3.91$, $SD = 0.70$), climate finance ($M = 3.87$, $SD = 0.71$), sustainable financing ($M = 3.82$, $SD = 0.73$), and environmental disclosure ($M = 3.74$, $SD = 0.76$). The results showed that on the whole, the respondents held positive attitudes towards financial practices congruent with climate dimensions, and also about resilience of companies which have been subject to environmental disclosure, which appeared to be rather a low level.

Keywords: Climate Finance, Corporate Resilience, Environmental Disclosure, Green Investment, Sustainable Finance, Sustainable Financing.

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Introduction

Climate change has come to be understood as a significant financial and strategic interest to companies, whether in the short-term, such as for the continuity of their operations, or in the long-term, given its impact on asset values and conditions of funding. This increase in the awareness of climate change represents a problem for companies in the short term when it comes to the continuity of activities and in the long term through the effect it has on asset market values and the terms for which financing becomes available. Extreme weather events and the so-called transition risks of environmental regulation, technological changes and shifts in market preferences can add significant frictions for businesses. In recent years, evidence has illustrated the potential for the climate risk to impact a company's financial outcomes, thus underscoring the growing importance of considering climate risks during corporate finance decision-making (Liu et al., 2024).

A rising appetite for climate-risk disclosure and transparency are also linked to a rising importance of climate finance. An increased emphasis on climate finance is also related to the demand for disclosure and transparency on climate risk. Nowadays, stakeholders, such as investors, financial institutions, regulators, and other stakeholders, are looking for information on firms' identification and management of climate-related risks and opportunities. The benefits of Climate-Risk Disclosure for firms in financial performance (FP), and financial reporting (FRT) and Risk Management (RMT) continue to grow with companies, and there are strong association effects between climate-risk disclosure and financial performance (FP) as outlined below (see Megeid, 2024): The results of the Indian businesses showed that the disclosure of the impacts of climate change is positively related with the financial performance of the companies measured in the market where they are trading, which implies that disclosing information regarding the effects of climate change can be beneficial to the companies in the long term (Ghose & Gogoi, 2025). Ben-Amar et al., (2024) demonstrate that disclosure can improve the financial analysts' forecast accuracy when financial risks associated with the effects of climate change are financially material.

The need for corporate resiliency has thus become an important consideration in financial sustainable management. Resilient organizations stay longer when the economy and environment are tough, and thrive in what might be a different financial environment, and protect resources and continue to operate when necessary. This resilience could be reinforced by the action that climate finance can enable, for companies to invest in, both in action to mitigate risk and in the development of green technologies. There has been growing knowledge that pro-social climate-risk disclosure data can help mitigate the financial effects of corporate carbon emissions and support their resilience to potential future financial or economic strain (Wang et al., 2024).

Background of the Study

As climate change threats threaten and corporations have increased demands to respond, climate finance is now very much part of good corporate financial management in today's world where financial sustainability is paramount. Corporate climate finance covers all funding and financing investments behind emissions reductions, renewables, energy efficiency, climate adaptation and resilience building investments. These financial options can enable companies to cut reliance on fossil-fuel-based assets, address new regulations, and meet shifting investor preferences. In recent years, researchers have discovered that firms can be impacted by climate risk in their environmental, social, and governance (ESG) management, because of for example their availability to financing and visibility in society (Yin et al., 2024).

One of the other key elements of the sustainable business financial approach is climate-risk management. Climate risk affects the physical – it is floods, droughts, heatwaves, storms etc. – the climate change transition risks are relating to carbon pricing, environmental legislation, technology and consumer/investor preferences. If these risks are properly identified and assessed, companies can put in place appropriate financial measures before climate-related risks or impacts can become more serious. Recent research suggests that disclosure practices and better financial reporting and risk management are correlated, and that integrating climate information into organisations' risk management

systems is helpful to the climate-risk disclosure process (Megeid, 2024). Wang and colleagues (2024) found that the level of disclosure of the climate risks might influence the carbon emission outcomes of companies and reduce the economic impacts of carbon emissions.

The trend of environmental disclosure and sustainable investing further bolsters empowerment of climate oriented financial strategy. Corporate information on environmental issues affects the investor perception, institutional investment, corporate innovation, financial result, etc. in different ways. The benefits of environmental information disclosure to increase economic values, as illustrated by Chinese listed firms, is partially due to higher media coverage and level of institutional investor engagement, as well as corporate research and development investment (Fan et al., 2024). The quality of information about climate remains important: otherwise, climate information with no measurable evidence can offer mere limited use to the decision maker. Bingler et al. (2024) shows, there are risks associated with inaccurate and not substantiated climate communication that needs to be highlighted – and call for credible climate information.

Objectives of the Study

1. To examine the relationship between climate finance and corporate resilience in the context of increasing climate-related risks.
2. To assess the role of climate-risk management in developing sustainable financial strategies and strengthening corporate resilience.
3. To determine the contribution of green investment, sustainable financing, and environmental disclosure to corporate financial resilience.

Research Questions

- Q1. What is the relationship between climate finance and corporate resilience?
- Q2. How does climate-risk management contribute to sustainable financial strategies and corporate resilience?
- Q3. To what extent do green investment, sustainable financing, and environmental disclosure contribute to corporate resilience?

Significance of the Study

The study's importance stems from the ability to gain insight into the integration of the climate from the viewpoint of financial decision making and the development of climate strategy to support long-term climate resilience in the context of the corporation. The result can support enterprises' management of climate related uncertainty through awareness building of climate finance, climate-risk assessment, green investment, sustainable financing and environmental disclosure. The study may also help investors and financial institutions in assessing companies' sustainability and resilience in light of their long-term financial impact of companies' climate practices. Study may be a source of evidence for the policy/policyholders and for the regulatory authorities to enhance climate financing frameworks, disclosure requirements, and climate investment incentives. The study adds to the increasingly important and well-established body of literature that addresses climate-risk management, sustainable financial strategies and aims to serve as a foundation for future studies in emerging and developing economies.

Literature Review

Climate Finance and Corporate Resilience

Climate finance is considered to play an essential role in ensuring firms' climate and financial resilience over time. A recent study also reveals that green finance including green bond, green loan, sustainability linked financial instruments (SLFI) can be a means for enhancing companies to integrate environmental concerns into their financial decision making and climate change resilience (Wongsinhirun et al., 2026). Other research on ASEAN+6 countries also indicates the potential of green finance in achieving financial stability and reducing the negative effects of climate risk particularly in financially precarious situations. This shows a path for climate-oriented investments to boost capacity of companies to invest in climate adaptation, clean production, renewables, and risk reduction.

Newer relatively firm evidence also exists to support the relationship between climate change oriented investments and corporate resilience, which is specific to the type of company. Rabbani et al. (2025) conclude that green investments mitigate exposure to climate risk, and that firms

with better ESG skills, performance and competence further mitigate this effect. They manager to discover that company investments in more sustainable measures just might help to reduce the climate impact and increase trust and resiliency of a business. On the other hand, research on climatic disaster shows that environmental stresses have a negative impact on the performance of a business firm which further justifies the importance of ensuring business resilience through financial provisions.

The literature also shows that benefits that the 1031 exchange requires for success are dependent on the financial and institutional setting in which companies operate. A study on green finance markets, which examined the effects of climate-policy uncertainties on the ability of green financial instruments to withstand and rebound, revealed that green bonds are particularly resilient and have good recovery capability. The kinds of contributions provided by climate finance to corporate resilience that emerge from such results are: sustainable finance flow into the corporations, diversification of investment portfolio, technology upgrading of products and reduction of exposure to climate risk.

Building Resilience Against Climate Risks and Sustainable Financial Strategies

The issue of physical and transition risks is new and introduces risks of its own that could impact on an investment's requirements, cash flow, financing rates and/or long-term viability of a company. Recent studies demonstrate that financial stress from physical and transition climate risks happens around the world, with increased impacts of physical climate risks observed. It indicates that corporations are able to have an interest in environmental risk impacts, but also direct financial risk impacts; and this extension of corporation into direct financial risk – beyond environmental risk – should catch the attention of business leaders. Future climate risk exposure management will require businesses to recognize the exposure they may have to climate change and climate risk conditions, and to estimate what this exposure may cost them; to include climate risk in investment, financing, liquidity and strategic risk considerations of enterprises.

Business culture and perspectives on climate

change have also been proven to impact business resilience, in new studies. The survey found a relationship between the higher listed business's perception of threat from climate change and the higher level of operational resilience (as indicated by the lower financing cost, which in turn is linked to innovation in the planning of technology and internal control systems.) More particularly, the observations made in the focus of this Informative Session are relevant to the sustainable financial strategy: Climate risks can be identified and the companies that are involved can be incentivised to invest in developing their internal capacity and knowledge and to undertake activities that help build resilience. Managerial responses to climate change, time perspectives and green innovation might be important processes linking climate exposure and sustainability performance, as suggested by climate risk and performance of corporate sustainability.

Businesses must make a compromise between the environment they invest in and flexibility in terms of finances for sustainable financial strategies. Recent studies indicate that exposure to climate risks may incentivize companies to diversify their portfolios internally but also draw the attention of investors to a company, thereby awakening them to take on a green investment responsibility (Wan et al., 2025). Financial constraints may also have an impact when it comes to the effectiveness and return of environmental investments, indicating that investments with the financial support of these funds should be financially suitable to deliver measurable results, based on the environmental investment objectives of sustainability (Awijen et al., 2025). The outcome of the results is the need to integrate the climate risk assessment into the capital allocation, financing, liquidity management and green investment processes.

Energy Garden, Energy Shopping and Energy Adaptation

Green investment is one of the highest leverage ways and channels that a corporation can channel finance towards the environment and resilience. There's new research indicating that climate risk may have the power to substantially affect corporate green investment, with companies reacting to enhanced exposure by upping their greenish investments and boosting their ESG

actions (Wan et al., 2025). Rabbani et al. (2025) suggest that green investments should have a positive impact on climate risk mitigation, with the stronger the performance of such investments on the ESG, the more beneficial. These findings show that an environmental investment can serve two purposes: environmental costs reduction makes firms more adaptable to climate stressors; and environmental costs reduction increases earnings. Then, clean technologies, renewables, energy efficiency and environmentally friendly production processes can be pivotal for the long-term financial plans of the companies.

Environmental disclosure has additionally turned into significant means of reinforcing corporate backing and endurance. Case evidences show that environmental information disclosure can considerably fortify the business to become more resilient through enhanced information transparency and diminish information asymmetry. When disclosure is credible, the quality of disclosure is particularly relevant as it can be used to help better understand a company's exposure to the climate/climate change adaptation measures, if they are disclosed. In addition, field research indicates that companies' ESG measures are affected by Climate risk disclosure, implying a disclosure influence on companies' environmental efforts and internal sustainability mechanisms would be beneficial as the disclosure can be a leverage for enhancing such actions (Duan et al., 2025).

Climate awareness and green investment, disclosure, governance and organizational capabilities ultimately interact with one another to determine the adaptation of a corporation. A new report shows that technology solutions, internal control and optimisation of financing constraints are the pathways to how corporate climate-risk perception is related to operational resiliency. There is emerging research about how to adapt and be resilient within companies, and adaptability needs to be revealed by leadership which contains both the exposure to climate events and the adaptation measures needed to address these events – not just the exposure to them. This difference is substantial as two firms with the same climate hazards at risk could have different outcomes due to their preparedness, willingness to invest and their response and actions to the hazards in their business.

Research Methodology

Research Design

This study uses a quantitative and cross-sectional research method to probe the connections between climate finance and corporate resilience and to gauge the role of sustainable financial approaches in companies' ability to prepare for climate risks. A quantitative approach was deemed appropriate as it involved the measurement of climate finance practices, the management of climate risks, the adoption of green investment, the green financing of climate risks, corporate environmental disclosure and the climate resilience of companies through indicators of structured nature, followed by a statistical analysis of the relationships.

Population and Sample

The target population were corporate professionals, corporate financial managers, investment managers, risk-management professionals, sustainability officers, and other financial or strategic decision-makers in firms. The sample numbers of the respondents for the study were 300. The sample size yielded sufficient number of observations for descriptive analysis, correlation analysis, reliability test and multiple regression analysis for the study variables. Respondents were chosen due to their work-related exposure to knowledge of the professional activities of corporate financial planning, climate-risk management, sustainable investment and organisational resilience.

Sampling Technique

The selection of the participants used a purposive sampling technique for a heterogeneous group of professionals with different competencies in relation to the corporate finance function, risk management, sustainability, investments, and organisational strategy. Professionals were approached for the purposes of this research and invited to personally give consent to take part in the study. Informed response on how climate change affects financial practice was required and so the subjects in this type of research needed to be climate change experts and not ordinary consumers; for this reason, purposive sampling was appropriate. The number of participants was determined by having them work in an organization and having an adequate level of knowledge in the financial, risk-management,

sustainability or strategic activities. Those employees who had organizational background information but did not have to it were not included in the last sample.

Data Collection Procedure

A structured questionnaire was used to collect primary data. The questionnaire was sent to the selected respondents by an online survey and personal professional network. Participants were first informed of the study purpose, voluntary participation, confidentiality and analysis of responses for academic purposes. Participants were first briefed on the purpose for which the study was conducted, voluntary participation, confidentiality and intended academic use of the responses. To elicit responses, respondents were asked to consider their answers through the lens of what they currently do in their organization to address financial and climate issues. Data collection prioritized gaining full responses from industry professionals with a deep understanding of financial decision-making and climate-risk management in companies. The responses were then checked for completeness, and those that weren't complete or usable were discarded prior to analysis of the data. Of the 400 responses received, 300 were complete and usable.

Research Instrument

Structured questionnaire was the prime data collection device. The questionnaire included two sections, namely: Demographic and professional information, such as gender, age, educational level, organizational position, professional experience, and organizational characteristics, were collected in the first section. The second part assessed the constructs of the major examined: climate finance, climate-risk management, sustainable financing, green investment, environmental disclosure, and corporate resilience. The items that were developed mirrored usage from other existing climate-finance, sustainability and corporate-resilience studies and were adapted to be pertinent to the corporate context. A five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree was used to measure respondents' perceptions. The accuracy of each organisation's climate-oriented financial and resilience practices on this scale allowed the researcher to quantify the

degree of implementation.

Validity and Reliability

The pre-test of the questionnaire before the main data collection was carried out to determine the content validity and representativeness of the items on the constructs of the study. The instrument was checked by academic experts, who were informed about its topics related to corporate finance, sustainability and climate-risk management. A pilot survey was also taken with a small sample of respondents with similar characteristics to target respondents. Ambiguous or repetitive items were edited prior to the last questionnaire. For the constructs of the study, the internal consistency was assessed using Cronbach's alpha with values ≥ 0.70 treated as acceptable. The items within each construct were subjected to reliability testing to insure that each item is measuring the intended dimension.

Data Analysis

The data collected were coded and analysed with the support of the statistical software. Data was presented descriptively, using measures of frequency, percentage, mean, and standard deviation, to describe the profile and distribution of factors and position factors in the study. To examine the internal consistency of the measurement scales, the Cronbach's alpha was computed. Finally, Pearson correlation measures were used to identify the direction and magnitude of associations between four different groups: climate finance, sustainable financing, green investment, and climate-risk management, with corporate resilience, and environmental disclosure. A multiple regression analysis was then conducted to see how much of the variation in corporate resilience was explained by the independent variables. Climate finance, climate-risk management, sustainable financing, green investment and environmental disclosure were the explanatory variables and corporate resilience was the dependent variable in the regression model.

Results and Analysis

Demographic Characteristics of Respondents

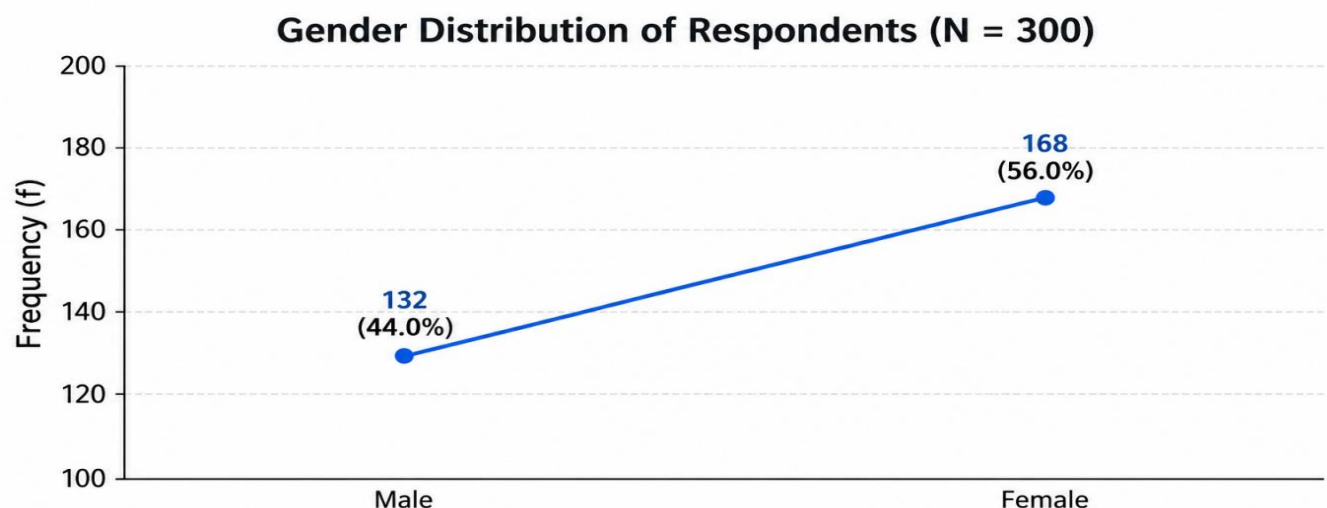
The demographic characteristics of the respondents were examined to describe the composition of the sample.

Table 1: *Gender Distribution of Respondents (N = 300)*

Gender	Frequency (f)	Percentage (%)
Male	132	44.0
Female	168	56.0
Total	300	100.0

From Table 1, it could be seen that 44.0% (132) of the respondents were male, while 56.0% (168) of the respondents were female. The majority of the sample (older than half) were female. There were 44.0% male respondents. Initially, it was noted that this distribution evidenced gender representation of both men and women, who however, appeared at a relatively high proportion for females. There was a gender gap of 12 percentage points. Considering that women were

underrepresented in the organizations and a question portion with a sample size of 168 female respondents was used, this also meant a good representation of women. Meanwhile the 132 male respondents contributed significant representation of male professionals. This distribution minimized the chances that results of the descriptive analysis were a result of one gender category's perspective.

Figure 1: *Gender Distribution of Respondents (N = 300)*

Reliability Analysis

Reliability analysis was conducted to assess the

internal consistency of the questionnaire items. Cronbach's alpha was calculated for each of the six major constructs.

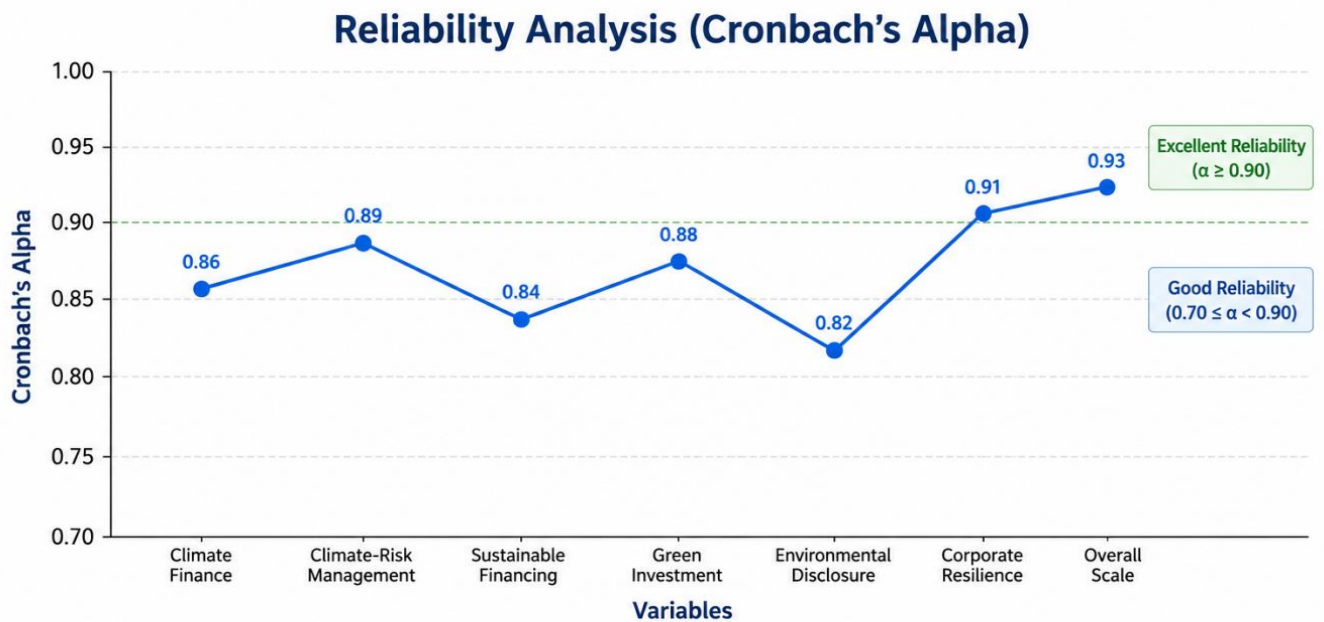
Table 2. *Reliability Analysis of the Study Constructs*

Variable	Number of Items	Cronbach's Alpha	Reliability Status
Climate Finance	5	0.86	Good
Climate-Risk Management	5	0.89	Good
Sustainable Financing	5	0.84	Good
Green Investment	5	0.88	Good
Environmental Disclosure	5	0.82	Good
Corporate Resilience	6	0.91	Excellent
Overall Scale	31	0.93	Excellent

The results of the internal consistency analysis of the six constructs under study are shown in Table 2. The Cronbach's alpha coefficient for the climate finance was 0.86, which shows good consistency between its five items. For climate-risk management, the alpha value came out to be 0.89 and showed good internal consistency. Earning Sustainable financing, the coefficient was 0.84 and green investment was 0.88. The items in these constructs consistently reflected the respective dimensions for these values. The Cronbach's alpha value for environmental disclosure was

0.82, which was higher than the acceptable value of 0.70 and indicated good reliability. The alpha value was highest for Corporate Resilience (0.91) with good internal consistency of its six items. The relatively high reliability values of the items that measured the organization's adaptability, financial stability, operational continuity, and reactions to climate-related pressures indicated good homogeneity. The Cronbach's alpha for the overall questionnaire was 0.93 for 31 items. This was a high overall level of internal consistency.

Figure 2. Reliability Analysis of the Study Constructs



Descriptive Statistics of Study Variables

Descriptive statistics were calculated to examine

the general pattern of respondents' perceptions regarding the major study variables.

Table 3: Descriptive Statistics of the Study Variables

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Climate Finance	300	1.80	5.00	3.87	0.71
Climate-Risk Management	300	1.60	5.00	3.94	0.68
Sustainable Financing	300	1.80	5.00	3.82	0.73
Green Investment	300	1.60	5.00	3.91	0.70
Environmental Disclosure	300	1.40	5.00	3.74	0.76
Corporate Resilience	300	1.83	5.00	4.01	0.65

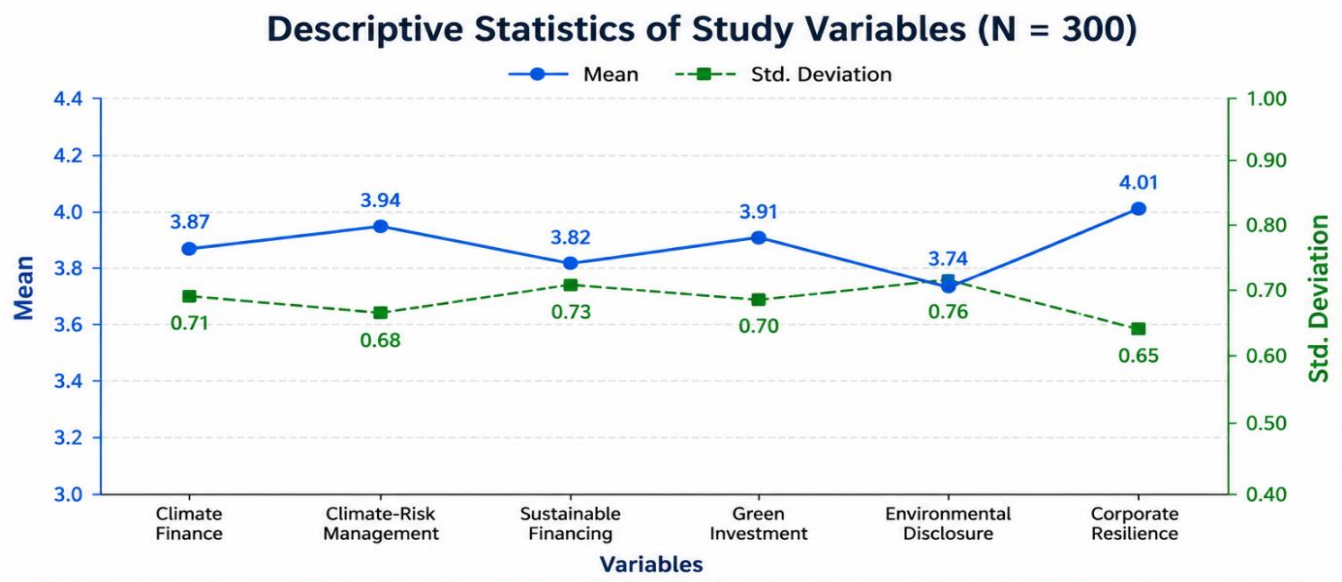
As indicated in Table 3, the average scores for all six variables were above the mid-point on the five-point Likert scale. Corporate resilience recorded the highest mean score ($M = 4.01$, $SD = 0.65$),

followed by climate-risk management ($M = 3.94$, $SD = 0.68$), green investment ($M = 3.91$, $SD = 0.70$), and climate finance ($M = 3.87$, $SD = 0.71$). The descriptive indicators suggested that the

overall level of financial and resilience-related practices as they relate to climate change was relatively high among the respondents. Sustainable financing achieved a mean score of 3.82 (SD = 0.73) and therefore received a fairly positive rating for sustainable financing practices. The mean score for environmental disclosure was lowest at 3.74 (SD = 0.76) for the six constructs. This was still higher than the midpoint of the scale, but indicated relatively low levels of perceptions of environmental disclosure practices compared to the other measured dimensions. The results suggest that organizations seemed to have

more positive perceptions of resilience and of managing climate risk than of environmental reporting. The answers of the respondents showed moderate variation (from 0.65 to 0.76) in standard-deviation values. The least variation among respondents' perceptions was in the case of corporate resilience, which had the lowest standard deviation (0.65). The largest standard deviation was found for environmental disclosure (0.76), which meant some amount of variance in the answers provided on environmental reporting practices.

Figure 3: Descriptive Statistics of the Study Variables



Multicollinearity Diagnostic Analysis

A multicollinearity diagnostic analysis was

conducted to assess whether excessive linear relationships existed among the independent study variables.

Table 4: Multicollinearity Diagnostic Analysis

Independent Variable	Tolerance	VIF	Interpretation
Climate Finance	0.681	1.468	No serious multicollinearity
Climate-Risk Management	0.624	1.603	No serious multicollinearity
Sustainable Financing	0.713	1.402	No serious multicollinearity
Green Investment	0.657	1.522	No serious multicollinearity
Environmental Disclosure	0.746	1.340	No serious multicollinearity

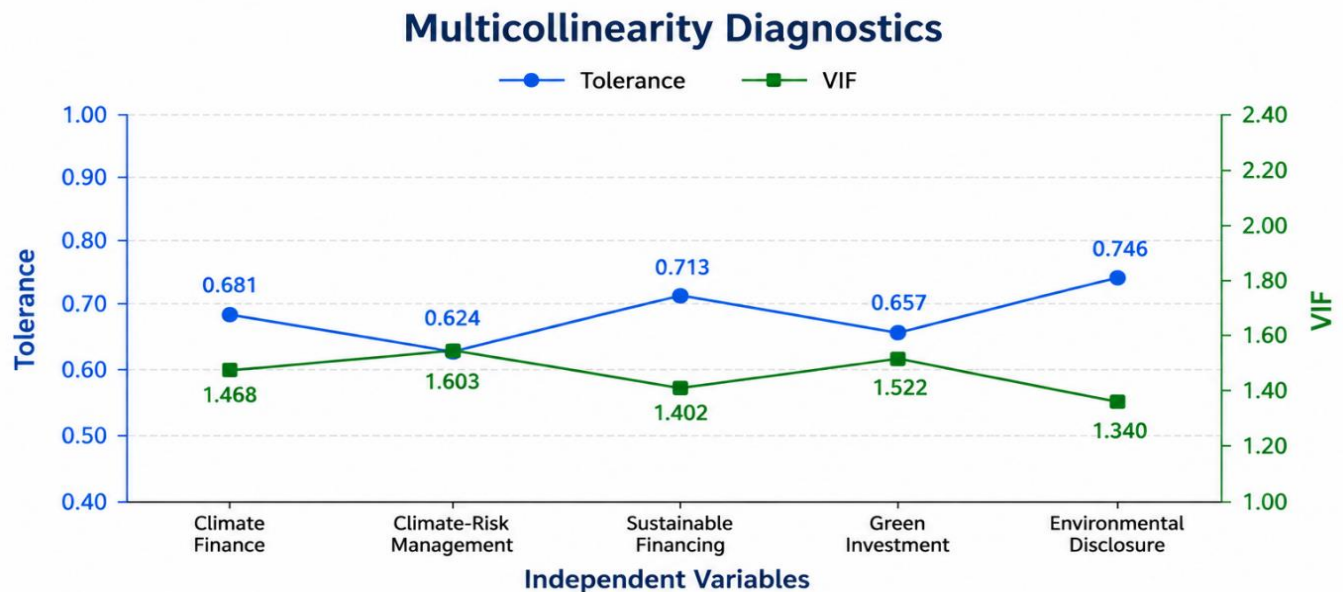
The multicollinearity diagnostics are shown for the five independent variables in Table 4. Tolerance values ranged within 0.624 - 0.746 and the VIF values noted within 1.340 - 1.603. This is because all tolerance values were considerably

greater than the minimum required for models (e.g., 0.10), showing no linear dependence problems between the independent variables and the rest of the predictors. The correlation coefficients of the VIF values were also much

lower than the statistical value of 10.00. The largest value of VIF showed in the independent variables was climate-risk management (1.603), and the smallest value of tolerance was 0.624 in climate-risk management. Though this is the highest value in the table, the VIF value is still low and there is no serious issue with

multicollinearity. Some key areas saw a VIF score of over one, including: green investment (1.522), climate finance (1.468), sustainable financing (1.402), and environmental disclosure (1.340). These values were found to show statistical independence between the predictors within acceptable ranges.

Figure 4: *Multicollinearity Diagnostic Analysis*



Discussion

The results showed high scores of the respondents' financial practices towards climate; the mean score for climate finance was 3.87 and that for sustainable financing was 3.82. This trend implied that climate was becoming a part of organizational financial planning and resource allocation. This was especially notable as financial decisions in the context of climate change now involved consideration of environmental objectives, as well as the protection of future operational and financial capacity. Some recent research indicated that uncertainty would have a negative impact on the company's willingness to invest in climate change, particularly when the companies were exposed to unstable energy prices and uncertain investment conditions (European Investment Bank, 2025). This suggested a possible link between the overall positive climate finance perception in this present study and the increasing awareness of organizations around the world that climate finance was a key component to long-term competitiveness.

The mean for climate-risk management was relatively high at 3.94, indicating that a higher

number of respondents were more aware of the importance of climate-risk management. The outcome suggested that it was more likely to be internalized into organizational planning than as an external environmental issue. Recent studies have found that company resilience may be affected by the firm-level climate risk, as it reduces profits and increases financing pressures (2026), and that financial flexibility may reduce the negative impacts of climate-related shocks (2026). Similarly, in Pakistan it was observed that both physical climate risk as well as transition climate risk negatively impacted the financial stability of enterprises, further reinforcing the importance of climate preparedness of organizations in climate-sensitive markets (Javed & Bhutta, 2026). The relatively high climate-risk management in this study was thus indicative of an increased awareness of the financial implications of the climate exposure.

The mean score for green investment was 3.91, representing good level of organisations' awareness about investments in the environmental field. This finding was a sign that green investment is more a strategy to deal with uncertainty about environment. Evidence of the

significant effect of climate risk on company's green investment was provided by a recent empirical study on the listed companies in China, as well as companies' response was said to be largely due to internal diversification, media attention and environmentally experienced executives and attention paid by investors (Wan et al., 2025). Furthermore, international evidence revealed that green investments decreased the exposure of the firms to climate risks, and the performance of environmental, social and governance was positive on the risk reduction effect of green investments (Rabbani et al., 2025). The present finding was in line with this new understanding since the scores attached to green investment were relatively high, meaning green investment started to be increasingly associated with organizational readiness to address the climate challenges.

The mean scores of all the study variables were higher than that of corporate resilience (4.01, SD = 0.65). This finding indicated that generally respondents believe their organization can be stable, adapt to uncertainty and respond to climate related disruptions. The perception of climate risk may contribute to improving the climate resilience of companies by stimulating the productivity of workers, improving their environmental, social, and governance performance, and increasing investments in green innovation (Su & Fang, 2026). On the other hand, the corporate investment research showed that companies responded to the climate risk by making cross-regional investments, particularly when there is a financial pressure or supply-chain instability associated with the exposure to climate risk (Ren et al., 2025). The findings showed that resilience was not only a process of bouncing back from the impact of a climate-related disaster, but also a process of adapting to the situation in an organization. This is significant in the current study because it indicates the importance of adaptive financial and organizational characteristics for business continuity, which are relatively high.

The lowest mean score (3.74, SD = 0.76) across the six constructs was for environmental disclosure, which was still greater than the scale midpoint. The result showed that environmental disclosure was a somewhat less developed area of climate action by companies. New evidence

showed that disclosure of environmental information is a crucial pathway for companies to respond to extreme-weather risks, such as in climate-risk management and adaptation planning in their value chains (2025). At the same time, ongoing studies on the value of the information that could not only provide an overarching statement on sustainability, but also provide content in the form of exposure and adaptation risks experienced by companies. The relatively low score for environmental disclosure, therefore, indicated that there is room for organisations to enhance their sustainable financial strategies by making environmental information more useful, quality and consistent for investors and other stakeholders.

Conclusion

The study looked at climate finance as a tool to enhance the resilience of companies and design their sustainable financial strategies in the context of growing climate-related risks. The results of the survey, based on the responses of 300 people, showed positive overall perceptions regarding climate finance, climate-risk management, sustainable financing, green investment, environmental disclosure and corporate resilience. The mean scores of corporate resilience were the highest (M = 4.01), followed by climate-risk management (M = 3.94), green investment (M = 3.91), climate finance (M = 3.87), sustainable financing (M = 3.82), and environmental disclosure (M = 3.74). The findings indicated an increasing awareness of companies to incorporate climate aspects in their financial and strategic planning. According to the study results, capacity building in the field of the effects of climate uncertainty requires climate finance and risk management, sustainable investment, green finance and transparent environmental practices to be integrated within the organization. This relatively low rating for environmental disclosure was also an indication of how much potential there was to do better in the financial dimensions of corporate sustainability.

Recommendations

Incorporate climate-risk assessment into long-term financial planning, investment appraisal, budgeting and enterprise risk-management. Incorporate more funds into renewable energy, energy efficiency, climate-resilient infrastructure,

clean technologies and climate exposure reduction investments. Financial providers should do more to enable companies to implement sustainable projects, such as providing more green loans and sustainability-related financial products and instruments in relation to climate change. Organizations should also improve the quality and transparency of environmental disclosures – presenting clear, consistent and measurable information regarding environmental risks, environmental performance, environmental targets and environmental adaptation activities. The boards and senior managers should take the opportunity to strengthen governance related to climate change by assigning clear responsibilities for climate change risk monitoring and for sustainable financial decision making. Training can also improve the understanding of staff of climate finance, climate-risk assessment, sustainable investment and corporate resilience. These measures can help organisations become more financially agile and resilient to future climate related shocks and to adopt a more sustainable and financially agile approach.

Future Directions

There is a need to further expand this study with future research by analyzing with larger companies, spanning different sizes and different industries on the climate finance and corporate

resilience, as well as with larger companies in different geographic areas for a larger body of evidence. Due to the changing climate policies and financial markets and environment, a longitudinal study can cover the changes in corporate climate-finance activities and resilience over time. Further research is also needed on other issues, like climate governance, green innovation, carbon pricing, climate-risk insurance, sustainable supply-chain management and digital technologies, as dimensions of corporate resilience. A comparison of the adoption of climate finance and climate organizational adaptation in the developed and emerging economies can provide deeper insights into the adoption of climate finance and organizational adaptation. An alternative approach, mixed-method or qualitative research, can help to elucidate the lived experiences of financial managers, sustainability professionals, investors and policy makers with regard to implementing financial strategies to address climate. The institutional, regulatory, financial limitation and organizational capacity variables should be further investigated in future empirical studies to gain further insights on the effectiveness of climate finance. The work is helpful to foster a more integrated approach to the development of sustainable and climate-proof business models of companies.

Conflict of Interest

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