Global Sustainability Priorities

24/25

Understand the Sustainability challenges and opportunities for global business.

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1. Introduction

Sustainability has become a critical focus for businesses worldwide, driven by increasing regulatory requirements, customer expectations, and the need for long-term resilience. The Achilles Sustainability Survey of 1600 businesses worldwide provides valuable insights into how companies are approaching environmental, social, and governance (ESG) initiatives, the challenges they face, and the key drivers influencing their sustainability strategies.

Our latest data highlights a clear shift: most businesses acknowledge the importance of sustainability and are taking meaningful steps to embed it into their operations. Yet, adoption remains uneven, with varying levels of preparedness, investment, and intent across regions and sectors.

The key questions now are: How ready are organisations for the ethical transition to net zero? How advanced are their ESG strategies? And what resources are being committed to make them happen?

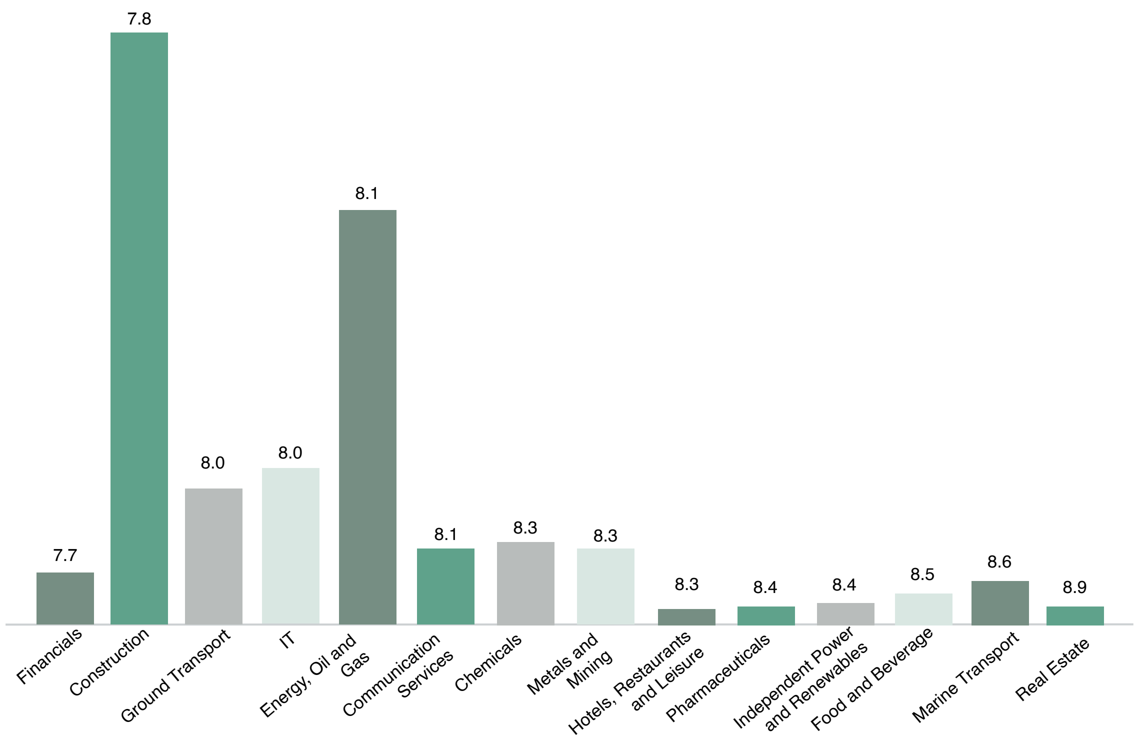
Global Sustainability Priorities: Insights from Over 1,600 Businesses

Achilles' Global Sustainability Priorities Survey, conducted in early 2025 with over 1,600 companies, offers a clear view into how organisations are approaching sustainability. The findings highlight current strategies, investment plans, and the key challenges and opportunities shaping decision-making.

Key insights include:

- Businesses rate the importance of sustainability at an average 7.6 out of 10.
- 86% have a sustainability strategy in place or plan to implement one within the year.
- 14% report having no current strategy and no plans to adopt one.
- 36% expect to allocate 26% or more of their annual budget to sustainable initiatives.
- The leading driver of ESG strategies is carbon reduction, followed closely by the need to attract environmentally conscious customers.
- Financial incentives, such as access to investment or cheaper finance, ranked lowest as a motivator for sustainability action.
- The most common triggers for strategic change over the past year were regulatory and legislative pressures, with customer demand also playing a significant role.
- These results reflect a growing alignment between sustainability priorities, stakeholder expectations, and emerging compliance requirements across global markets.

2.
Sustainable priorities: looking back



Sustainability priorities - looking back on 2024 -
average score measured against industry participation

Sustainability was a clear priority for businesses in 2024, with respondents assigning an average importance score of 7.76 out of 10. However, the emphasis placed on sustainability varied significantly across industry sectors.

Notably, 31.3% of respondents rated sustainability as a 10/10 priority - representing nearly one-third of all participants in the survey. The data also shows a correlation between business size and sustainability prioritisation: organisations with more than 250 employees assigned an average score of 8.6, indicating that larger businesses are leading the way in sustainability focus.

By sector, real estate businesses reported the highest average priority score at 8.9, followed by Energy, Oil and Gas, which had the highest overall survey participation and a strong average score of 8.1.

The chart illustrates which sectors scored an average of 7.9 or higher. Sectors just below that threshold include Aerospace and Defence (7.7), Retail, Public Sector, and Industrial Manufacturing (7.6). At the lower end, Healthcare averaged 7.5, Automotive and Utilities 7.4, Commercial and Professional Services 7.3. Construction Materials recorded the lowest average at 6.9.

Despite sector differences, all industries scored well above 6 out of 10, highlighting a broadly positive and consistent commitment to sustainability across the board.

3. Strategic Commitment and Resourcing for Sustainability

When asked about their sustainability strategies, respondents fell into two main categories: 60.5% reported already having a strategy in place, while 30% indicated plans to develop one. This represents a significant rise from just 45% in 2022, reflecting growing momentum in corporate sustainability planning.

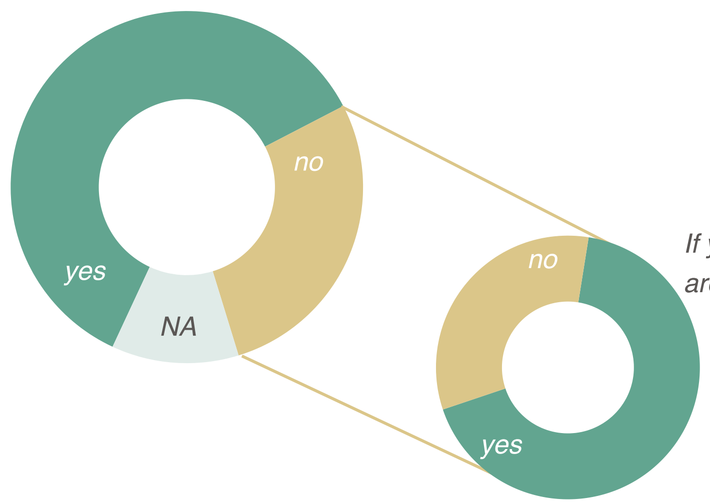
Only 14% of participants stated they had no framework in place and no intention to implement one, highlighting a strong overall trend toward action.

A key indicator of genuine commitment is the allocation of both financial and human resources. Just over 20% of organisations reported employing dedicated in-house sustainability or ESG professionals, either individually or as part of a team. Beyond these roles, sustainability responsibilities are most commonly assigned to Health and Safety teams, followed by Finance, Legal, and Procurement functions.

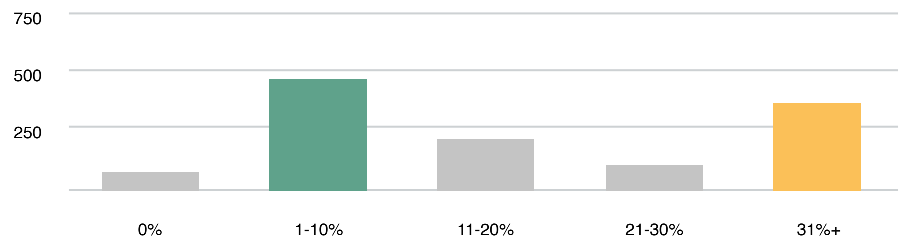
On financial investment, the outlook is similarly positive. As shown in the accompanying chart, more than half of respondents plan to allocate up to 10% of their annual budget to sustainability initiatives in the next 12 months. Additionally, 17% intend to invest between 11% and 20%, while 36% plan to dedicate 21% or more.

It is particularly encouraging that over 50% of businesses will allocate 10% or more of their annual budgets to sustainability efforts in 2025, signalling a strong and sustained focus on long-term environmental and social responsibility.

Does your company have a sustainability strategy?



If you answered No, are you intending to implement one?



How much budget do you plan to spend on sustainable activities in 2025?

4. The Influence of Government Policy on Business Sustainability Priorities

As global concern around sustainability intensifies, national governments are playing an increasingly important role in driving change through legislation, policy frameworks, and regulatory initiatives. From emissions targets to ESG reporting mandates, government action is actively shaping how businesses approach sustainability. However, the perceived level of commitment varies by region.

To understand how businesses view this influence, we asked respondents to assess the extent to which their national governments prioritise sustainability-led policies and initiatives. 24.6% of participants believed their government treats sustainability as a medium to high priority, while only 4.6% felt it was a low priority. In total, 62.9% of respondents viewed their government's approach as medium priority or higher.

We also explored how this perceived government focus has influenced business priorities. Only 29% of respondents reported no impact on their own sustainability strategies, while 25% stated it had influenced them significantly or to a great extent. A further 23% indicated a moderate level of influence.

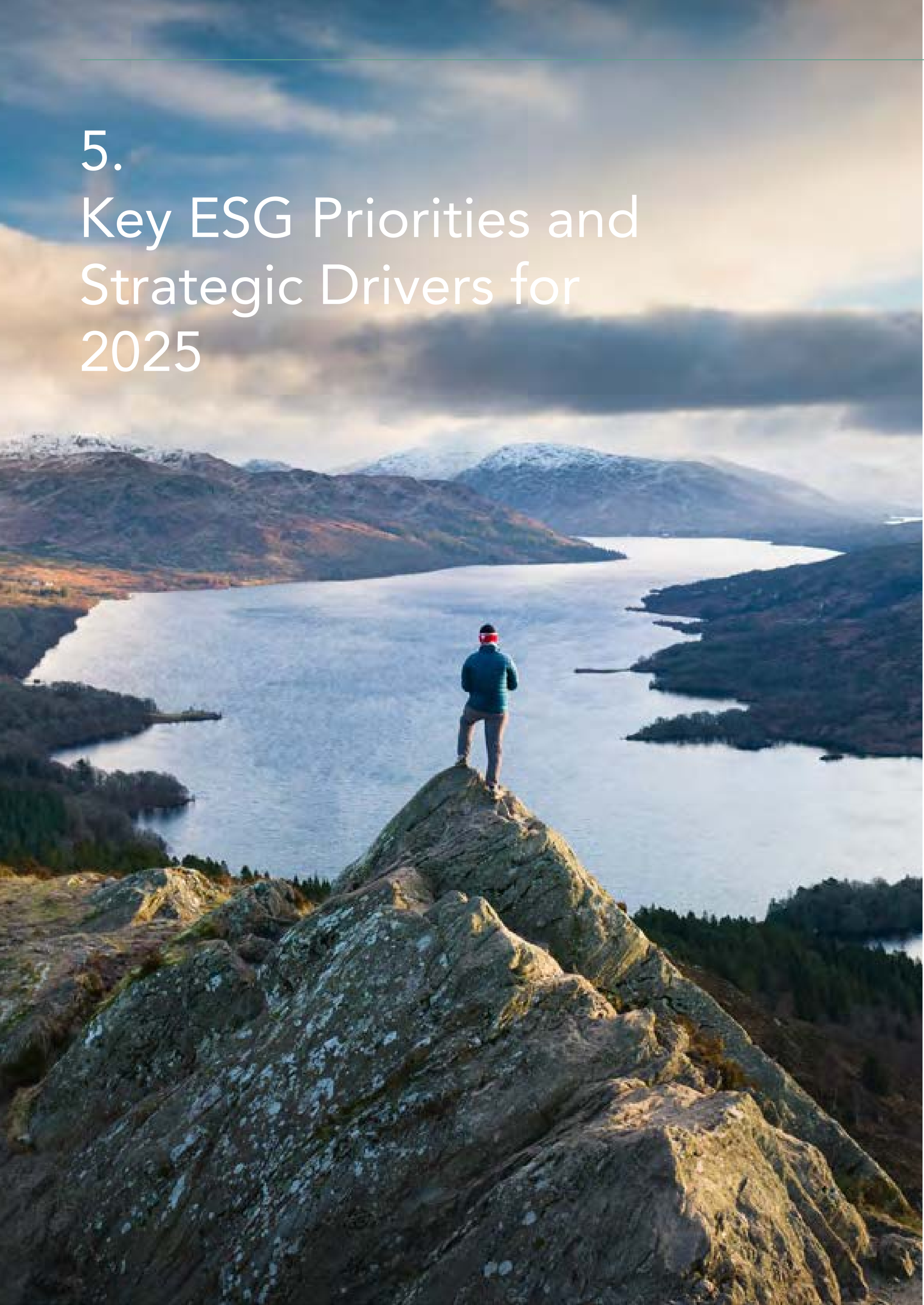
When asked whether this level of influence had changed in the past year, 43.8% said it had remained consistent, while 30.7% reported a noticeable change. Among those noting change, 11.7% attributed it directly to increased regulatory pressure.

These findings suggest that while government policy is not the sole driver of sustainability action, it is a growing influence—and in some cases, a catalyst—for shifting corporate priorities.

"We have seen that the regulatory landscape for sustainability is continuing to evolve rapidly, many governments remain focused on identifying new methods to increase sustainable business practices. Focus areas including climate change and responsible sourcing have become even more important for many. The results of the survey reflect this focus and highlight how industries are adapting to the changes they face, sectors like energy, construction and manufacturing remain focused on reducing their carbon footprint and increasing supply chain due diligence. As new legislation is adopted, businesses should recognize that proactive compliance can often create leads to competitive advantage and value creation."

Adam Whitfield, Head of ESG & Compliance, Achilles

5.
Key ESG Priorities and Strategic Drivers for 2025



As ESG continues to rise on the corporate agenda, businesses are making clear decisions about where to focus their efforts. This section of the survey asked respondents to identify the ESG areas they consider most important for the year ahead, and the core drivers shaping those priorities.

The leading motivation for ESG strategy was a commitment to reducing the global carbon footprint. Close behind was the desire to appeal to an ethically conscious marketplace highlighting the dual pressures of environmental responsibility and market expectations.

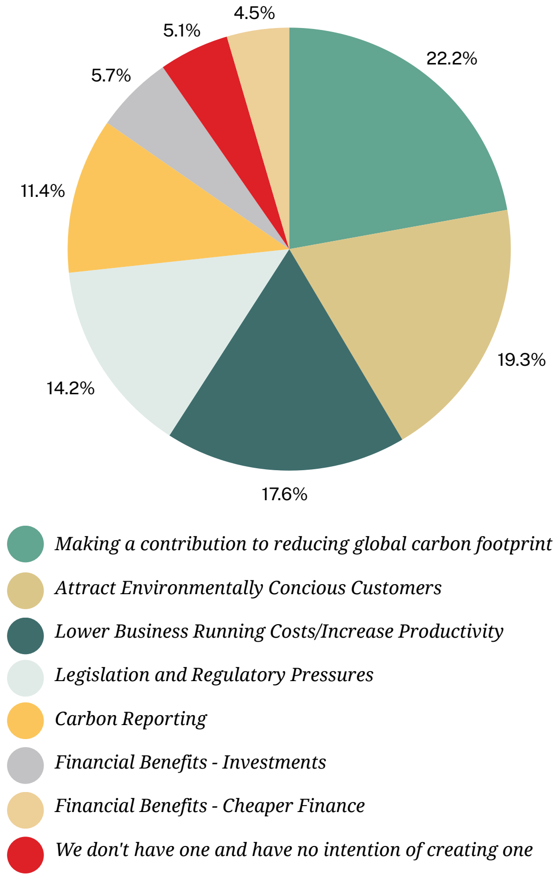
Notably, 60% of respondents cited Equality, Diversity, and Inclusion (EDI) as the most important ESG area for their organisation in 2025.

The top five ESG priorities for 2025, ranked by importance among respondents, were:

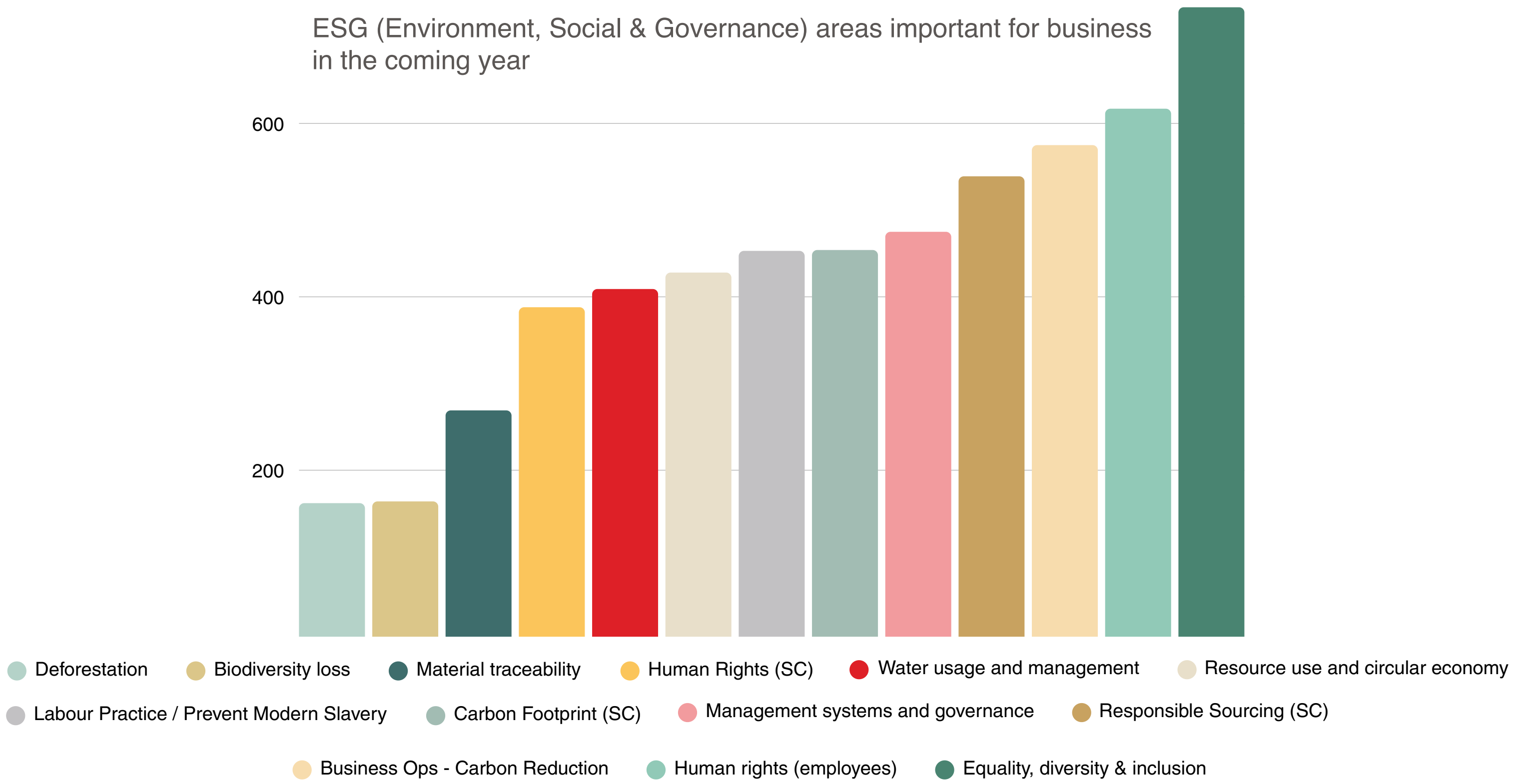
1. Equality, Diversity, and Inclusion
2. Human Rights
3. Carbon Reduction
4. Responsible Sourcing in Supply Chains
5. Management Systems and Governance

These results point to a broad and integrated approach to ESG, with businesses prioritising not only environmental performance but also ethical labour practices, inclusive workplaces, and robust governance structures.

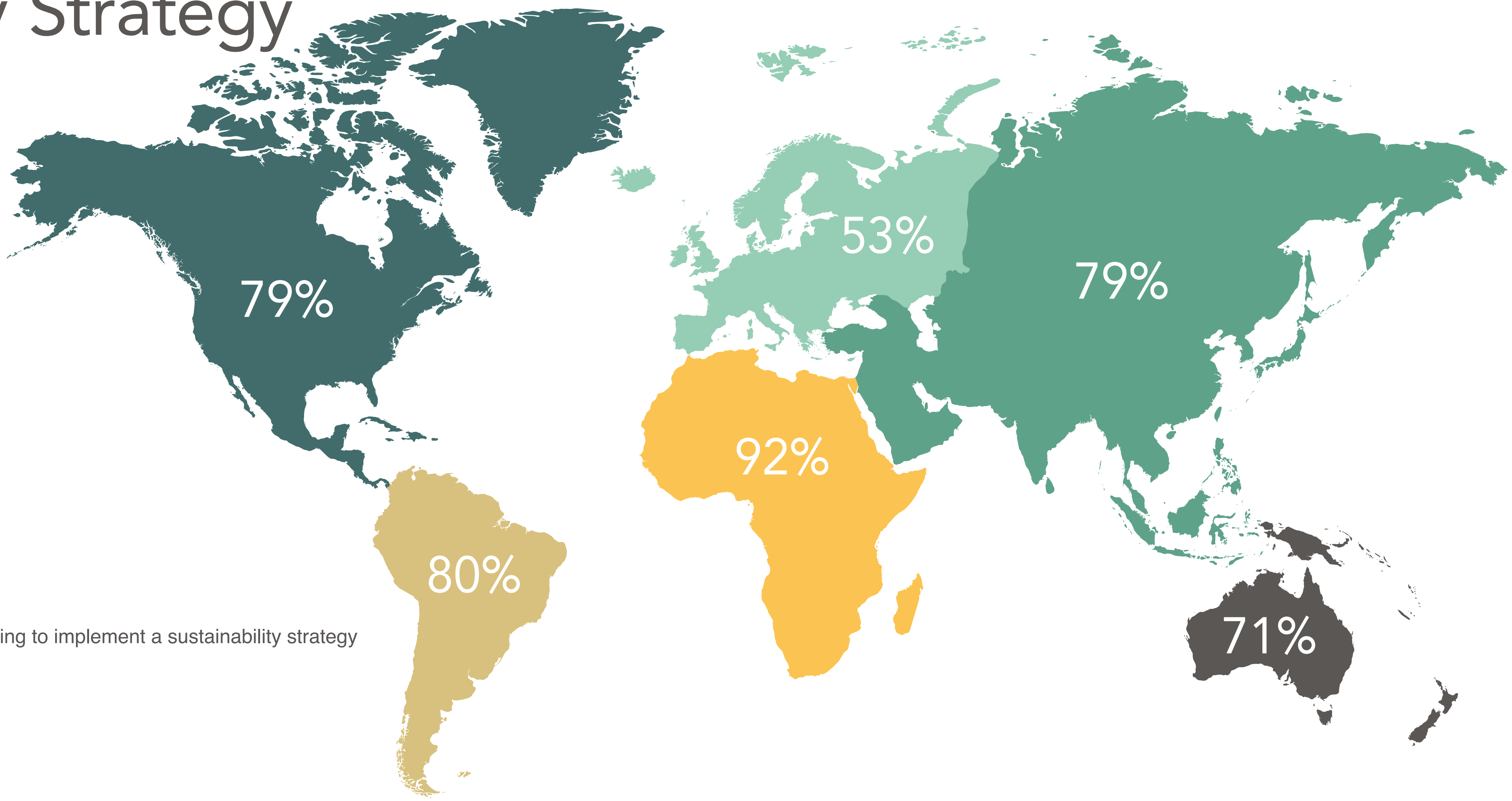
Key drivers behind ESG strategies



ESG (Environment, Social & Governance) areas important for business in the coming year



6.
Regional Variations in Sustainability Strategy Adoption



Companies with or intending to implement a sustainability strategy

The Achilles Sustainability Survey reveals clear regional disparities in the adoption of formal sustainability strategies.

Responses from the Africa continent, showed that only 40.7% of businesses currently have a sustainability strategy in place, with an equal proportion yet to implement one (the remainder declined to answer). In contrast, Asia shows significantly higher engagement, with 73.7% of companies reporting an active strategy.

These figures indicate that while global awareness of sustainability is increasing, some regions continue to face structural or strategic barriers, such as limited policy development, resource constraints, or competing business priorities that hinder broader adoption.

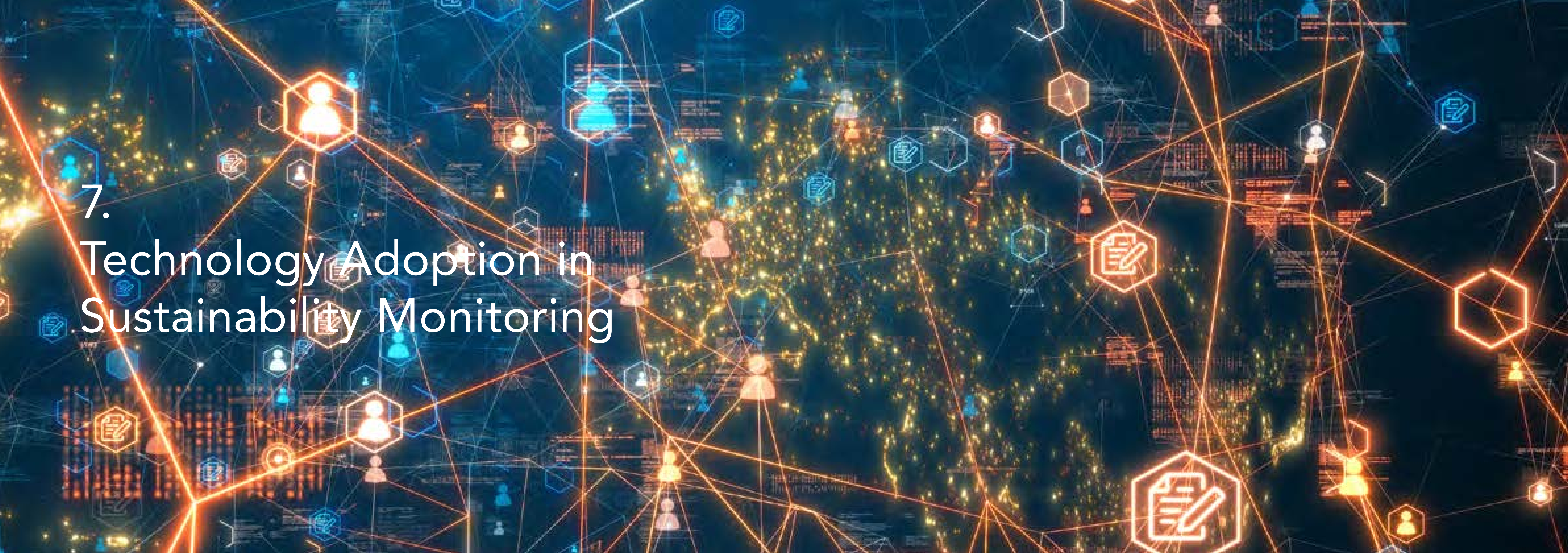
Despite these gaps, many businesses in Africa and other regions where formal strategies are not yet widespread expressed a clear intent to implement sustainability frameworks in the near future. This indicates a positive shift in momentum and a growing commitment to sustainable development that reflects evolving priorities and regional leadership emerging in new ways.

Across most regions, customer expectations and market demands are driving changes to sustainability strategies. However, in Europe, government regulation plays a more prominent role. Organisations in the region cited legislative and compliance requirements, alongside investor and stakeholder pressure, as key reasons for recent strategic shifts. This reflects a dual-force dynamic in which both external pressures and internal priorities are shaping sustainability agendas particularly with compliance and competitive positioning emerging as dominant motivators.

While Asia leads statistically in terms of formal strategy adoption, overall participation from the region in the survey was lower, making comparative conclusions more complex. Regions with higher participation, such as South America, displayed more varied levels of engagement. Interestingly, some regions with strong governmental sustainability agendas show lower levels of corporate adoption, suggesting that enforcement, access to resources, and industry-specific constraints may be limiting progress.

In summary, the data points to a global recognition of sustainability's strategic importance, but also shows persistent disparities in adoption across regions.

Accelerating progress will likely require a combination of regulatory clarity, targeted incentives, and practical, sector-specific guidance to support businesses on their sustainability journeys.



7. Technology Adoption in Sustainability Monitoring

Survey data indicates that the adoption of technology to track and manage sustainability efforts remains relatively limited. Only 24% of companies currently use software - either third-party or in-house - to monitor their sustainability performance.

As shown in the accompanying chart, technology adoption correlates strongly with company size. Larger organisations are more likely to have systems in place, though uptake is still moderate. Among businesses with over 250 employees, only 38% reported having a dedicated system in place. Thus highlighting that even among larger firms, adoption is far from universal.

From an industry perspective, Energy, Oil and Gas, as well as Construction, Engineering, and Construction Materials sectors reported the highest levels of technology use for sustainability tracking.

Free-text responses revealed that many companies are either in the process of implementing software or using multiple tools to track different sustainability metrics. Factoring in these in-progress or multi-tool approaches, the actual rate of adoption may be approximately 10% higher than initially reported.

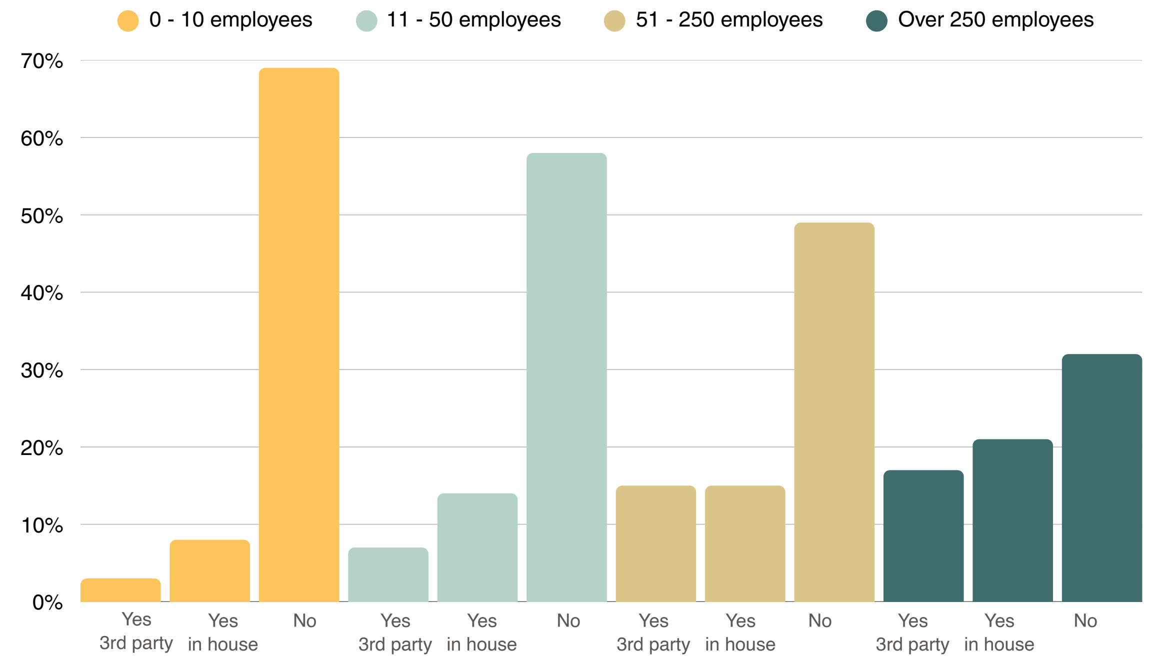
Why Does Technology Matter?

Technology plays a critical role in enabling businesses to manage sustainability effectively. With evolving regulatory frameworks - such as CSRD and CSDDD - automated tracking is no longer optional. It ensures accuracy, reduces administrative burden, and supports compliance in a fast-changing policy environment.

Sustainability software also delivers measurable business benefits. It helps identify inefficiencies, reduce waste, and optimise resource use—translating directly into cost savings. In addition, technology enables greater transparency, which is increasingly demanded by investors, customers, and stakeholders. For many companies, the ability to demonstrate sustainability performance is now essential to winning contracts and maintaining supply chain relationships.

Beyond regulatory compliance, technology enhances resilience, improves operational efficiency, and builds long-term trust, making it a key enabler for businesses seeking to remain competitive and future-ready in a sustainability-driven economy.

Does your company use any software to monitor and measure sustainability efforts?



8.
Driving Business Value Through Sustainability

The pressure on businesses to act sustainably continues to intensify, driven by governments, investors, and public demand for greater accountability in climate action, waste reduction, and social responsibility. Companies that integrate sustainability strategies into their core operations are better positioned to meet these expectations - while gaining strategic advantage through improved risk management, efficiency, and long-term resilience.

To lead in this space, businesses must take clear, decisive action. This includes appointing dedicated sustainability leadership, prioritising responsible procurement, and actively reducing carbon emissions across their operations and supply chains.

At Achilles, we enable organisations to accelerate their sustainability journey. From meeting complex environmental reporting requirements to connecting with verified, responsible suppliers, we provide the tools and insights needed to deliver real, measurable impact across the value chain.

Speak to our team to discover how Achilles can help you stay ahead of regulatory change, build stronger supplier relationships, and create a more sustainable future.

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