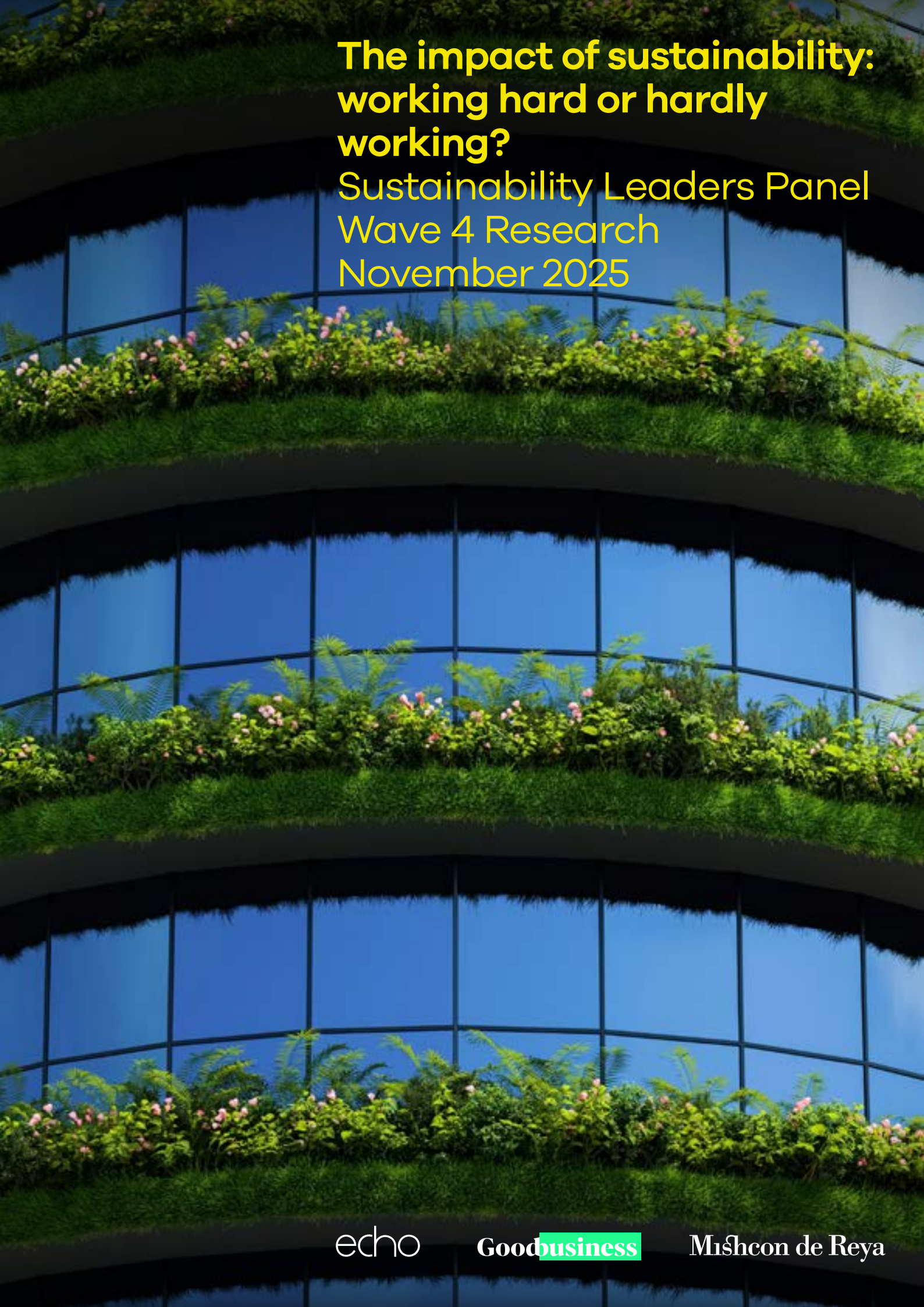

The impact of sustainability: working hard or hardly working?

Sustainability Leaders Panel
Wave 4 Research
November 2025

echo Goodbusiness Mishcon de Reya

Introduction

Sustainability has matured and evolved. Most businesses now have well established sustainability teams, defined strategies and targets, and effective reporting and governance structures. Yet creating change can feel harder than ever.

Many of the "easy wins" have already been integrated into business-as-usual, and what remains requires a different approach, relying on a shared understanding of sustainability and its role in value creation, and new ways of working together.

In this survey, we examine whether sustainability is an effective agent of change in a world where delivering change is harder than ever, and the extent to which sustainability professionals are helping their businesses to deliver sustainability.

What is holding back progress, and what is helping move it forward? What elements work most effectively together and what are the brakes and accelerators to driving real change? How can it create real business value?

100 sustainability leaders took part in this wave of research, representing over 20 countries and a wide range of sectors. 58% have roles in large organisations with at least 2,500 employees, and 53% have more than 10 years' professional experience working in sustainability.

About the Sustainability Leaders Panel (SLP)
The SLP is a joint initiative of Echo Research, Good Business and Mishcon de Reya. Twice a year, we survey an international, cross-sector group of senior sustainability executives to explore and provide peer-to-peer insights on how they are managing emerging issues and challenges.

Previous waves of research have explored topics including the impacts of rising regulation, and how recent political headwinds have affected boards' engagement with, and management of, sustainability matters.

If you have feedback or questions on the insights we share here, would like to suggest questions for future surveys, or would like to participate in the panel, please contact Matt Painter at Echo Research, Claire Jost at Good Business or Dan Gray at Mishcon de Reya.

Reflections

Claire Jost
Senior Partner
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Recent headlines highlight stalled progress and political pushbacks against sustainability. Our clients have faced a whirlwind of changing regulation, the "ESG backlash" and anxiety about the pace of change. So, it's encouraging that the latest SLP survey data paints a more optimistic picture than we might have expected. Businesses are carrying on with the work of creating change. While 66% agree the political climate influences how they talk about sustainability, most haven't scaled back action. 61% report continuing work on climate initiatives, 78% say this of human rights activities and 53% of Diversity, Equity and Inclusion (DEI).

The data tells a clear picture: change accelerates when sustainability is embedded in the business.

Many organisations are making steady progress on integrating sustainability. 30% say their sustainability function is fully integrated, with 4% describing it as "transformational", driving both strategy and business model innovation. Embedded sustainability delivers results: 68% of these businesses believe the pace of change in their organisation is "about right", compared to just 28% of their peers, and 53% in the first group report a great deal of progress versus 12% in the second.

Embedding matters. A couple of years ago, we argued for what we called "Act Two" of sustainability. Act One focused on winning hearts and minds through storytelling, flagship initiatives, and tackling low-hanging fruit. It laid the foundations for more systematic and substantive change, creating robust measurement processes and developing governance structures, but didn't address deeper challenges such as rethinking supply chains, transforming packaging or redesigning product and service offers.

Act Two is about deeper, more transformative change, accompanied by a cultural shift where sustainability influences day-to-day choices about investment, sourcing and product design. Businesses start treating social and environmental factors like economic factors, recognising that their ability to succeed and create value in the long-term rests on their ability to sustain, not deplete, the systems in which they exist.

In this new paradigm, sustainability becomes part of the business context. Just as the economic environment influences decision making, so too do social and environmental circumstances.

This evolution brings challenges, particularly for sustainability teams. Historically positioned as storytellers and advocates, these teams are now being asked to work across functions, influence culture, and drive operational change. This requires a different skill set: one that blends technical expertise with strategic acumen and change management capabilities. The data from this survey tells us that in those organisations where sustainability is embedded, strategic leadership and innovation are higher priorities than in organisations where it is not, and the focus is still on managing specific programmes.

Culture is critical. 64% say further progress depends on a significant shift in organisational attitudes. Embedding sustainability means rethinking incentives, decision-making, and even language used

by the business. It's not just about policies but fostering the right mindset. Sustainability professionals need to operate within the business on its terms, while still telling compelling stories. They need to link sustainability to financial performance, shifting the conversation from values to value. 66% saying that evidence of sustainability on the bottom line would have the biggest impact on their ability to deliver meaningful change. As one respondent noted, "We need to stop talking about sustainability as a separate issue and start talking about it as business strategy."

The good news? The foundations are there. Our message to sustainability professionals: move from the margins to the mainstream and make doing good part of doing business. We're looking forward to continuing the conversation.

Alex Rhodes
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If the goal of this wave of research was to find out what's most effective in accelerating meaningful change, then the answer is clear: transforming governance.

On the one hand, when we know what we know about escalating, interconnected systemic risks (seven of nine planetary boundaries and critical tipping points already crossed), it's worrying to find nearly two-thirds of respondents (65%) saying that sustainability remains separate from or only partially integrated into core strategy and decision-making.

On the other hand, it's hugely encouraging to see the level of impact they report when their organisations do fully embed sustainability into decision-making, and/or make sustainable transition the goal that drives strategic direction and business model innovation. Compare responses from leaders who say this is the case in their organisations, versus those where sustainability is seen as separate or partially integrated, and a very clear picture emerges.

Respondents in the former camp are roughly 4.5 times more likely to have seen a great deal of progress in their organisations, nearly 4 times more likely to see that progress as very well aligned with strategy and ambition, and more than 2.5 times more likely to say that external audiences have a strongly positive view of their efforts.

They're also able to devote more of their time and resources to strategic leadership and innovation, versus management of specific projects.

More progress.

Better strategic alignment.

Stronger reputation.

More time to spend on value-adding activities.

The reality is that real change only happens when goals, policies and procedures are hardwired into the everyday data, reporting, incentive programmes, contracts and myriad other frameworks through which a business does its business. As lawyers, this is where we find we can most help our clients integrate and align sustainability goals with financial goals, making change real and tangible.

Making a business sustainable in an all-too-often unsustainable world system is not easy. It requires grit, tenacity and leadership. Happily, our survey shows resilient leadership commitment to transformation in the C-suite. To make good on this, its insight for sustainability leaders is the importance of integrating sustainability clause by clause into everyday business operations. The small stuff matters.

Matt Painter
Managing Director
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"Embed sustainability within the company's business strategy, otherwise you'll always be fighting an uphill battle to get resource and investment in sustainability progress."

Echoing Claire and Alex's remarks, these words from one of our respondents encapsulate the mixed mood of the SLP panellists at the end of 2025. It's very positive that three quarters of sustainability teams are driving significant organisational change – and a majority expect this change to accelerate. Most say their organisations now view sustainability as a growth driver, not an overhead.

But too many sustainability teams still lack involvement in growth planning and strategy. In very few organisations is sustainability driving strategic direction and business model innovation.

How can sustainability leaders build momentum and secure a seat at the table for strategic decision-making? Our panel is clear: money talks.

Against a backdrop of competing priorities and efficiency targets, the biggest accelerant for change is clear evidence of bottom-line impact. Transformative sustainability investment requires a robust business case, whether that's through de-risking, innovating or creating competitive advantage.

Reputation is an increasingly important part of that business case. Echo's analysis shows that ESG performance delivered 10.8% of reputation value for FTSE 350 companies in 2025. That equates to £79bn of market capitalisation.

Better reputation performance translates into material market returns. That's a strong argument for sustainability investment and commitment from senior leaders.

But while 28% of our panel say their sustainability efforts have enhanced corporate reputation, 22% have met a mixture of support and scepticism. Communicating ambitions and achievements to stakeholders – inside and outside the organisation – is a never-ending challenge.

Looking ahead, sustainability leaders acknowledge the need to show the same commercial rigour as any other function. That means quantifying impact, building airtight business cases, and communicating value relentlessly. The question isn't whether sustainability drives business value; it's whether we can prove it.

Key Takeaways

1

83% of respondents say their organisation has made a great deal or a fair amount of progress on sustainability in the last 3-5 years. 88% say this progress has aligned well with their organisation's sustainability strategy and ambitions.

2

64% say the sustainability team has been the leading driver of change. Commitment from senior leaders and regulation/compliance are also change drivers.

3

However, 65% also say that sustainability remains separate from or only partially integrated into strategy and governance. Just 4% say sustainable transition is driving strategic direction and business model innovation.

4

58% also say that their organisation's current pace of sustainability change is too slow. Respondents are 2.5 times more likely to say this if sustainability remains separate from or only partially integrated into strategy and governance.

5

58% expect sustainability change to speed up in their organisation. The main driver of this faster pace is expected to be stricter regulatory/compliance requirements. Customer and consumer pressure, strategic clarity and the efforts of sustainability teams will also play a role.

6

The 14% who expect sustainability change to slow down in their organisation cite competing priorities and the need for efficiencies and cost reductions.

7

72% say their sustainability team has driven significant change. However, 64% believe further progress will require cultural change in their organisation.

8

Overall, teams spend most time on project management, compliance and specific programmes. However, strategic leadership and innovation are higher priorities where sustainability is seen as fully embedded in strategy and governance or a driver of transformation.

9

Compared to those who see sustainability as separate/partially integrated, those who view it as fully embedded/transformational are 4.5 times more likely to say that their organisation has achieved a great deal of progress, 4 times more likely to say that this is aligned with strategy and ambition, and 2.5 times more likely to say that external audiences hold strongly positive views of their efforts.

10

Sustainability leaders believe their teams are seen by colleagues as connected, commercially minded, adaptive and inclusive. They expect descriptions such as transformational, innovative and radical to be less prominent.

11

At the same time, sustainability leaders believe their teams would be described as constrained, with limited ability to deliver at scale.

12

82% use targets set by the business to drive progress. External partnerships and industry-wide initiatives are also common. Just 38% use financial incentives linked to sustainability performance.

13

For 66%, evidence of bottom-line impact would give the biggest impetus to sustainability change. Nearly half say that stronger financial incentives and regulatory signals would have a big impact.

14

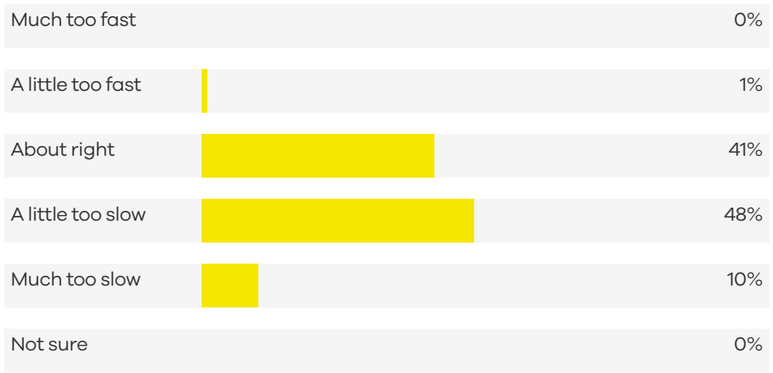
28% believe their sustainability efforts enhance reputation among external audiences. But nearly a quarter say the reputation impact is mixed, with both support and scepticism.

15

66% say they have to be more careful in the language they use around sustainability and DEI, slightly higher than our last survey in May 2025.

Survey Results

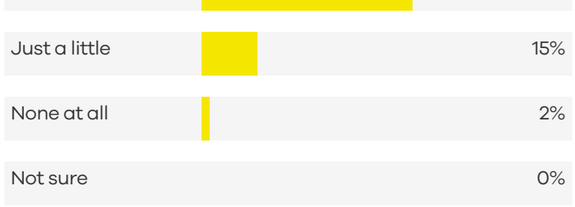
3 in 5 say their organisation's current pace of sustainability change is too slow



Q1. In your opinion, is your organisation's current pace of sustainability change...?
Base: All sustainability professionals (n=100)

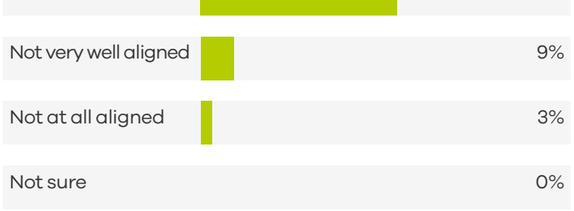
More than 4 in 5 say their organisation has made a great deal or a fair amount of progress on sustainability in the last 3-5 years
Nearly 9 in 10 say this progress has aligned well with their organisation's sustainability strategy and ambitions

Sustainability progress



Q2. How much progress on sustainability has your organisation achieved, in the last 3-5 years?
Base: All sustainability professionals (n=100)

Alignment with strategy and ambitions



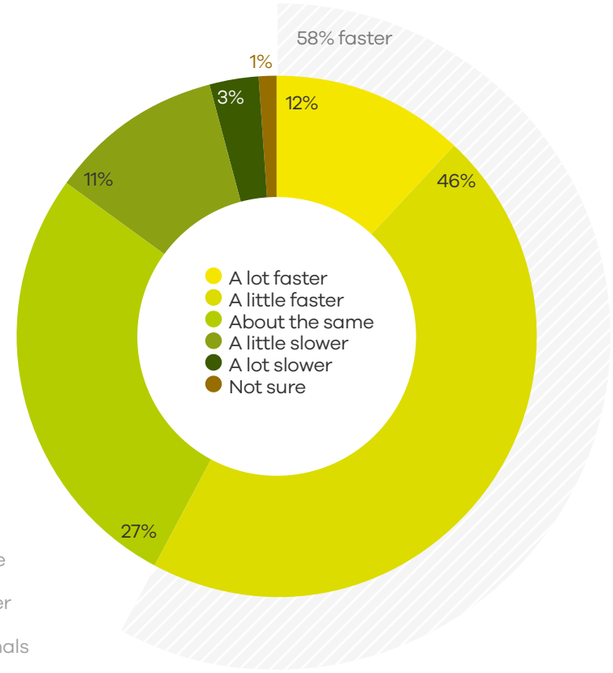
Q3. How aligned has this progress been with your organisation's sustainability strategy and ambitions?
Base: Those sustainability professionals whose organisation have made progress on sustainability (n=98)

2 in 3 say the sustainability team has been the leading driver of change
Commitment from senior leaders and regulation/compliance are also change drivers

The efforts of the sustainability team	64%
Commitment from senior leaders	57%
Regulatory or compliance requirements	54%
A clear strategy and targets	47%
Enthusiastic individuals or champions within the organisation	42%
Pressure from customers or consumers	38%
Pressure from stakeholders (investors, NGOs, etc.)	24%
A strong business case for change	22%
External factors, such as impacts of climate change	22%
The need for efficiencies or cost reduction	21%
Pressure from employees	14%
The political climate	8%
Technological innovation	8%
Negative media coverage	5%
Other (please specify) (not forced)	3%
Not sure	0%

Q4. What have been the main factors driving sustainability change in your organisation, over the last 3-5 years?
Base: Those sustainability professionals whose organisation have made progress on sustainability (n=98)

3 in 5 expect sustainability change to speed up in their organisation
The main driver of this faster pace is expected to be stricter regulatory/compliance requirements. Customer/consumer pressure, strategic clarity and the efforts of sustainability teams will also play a role



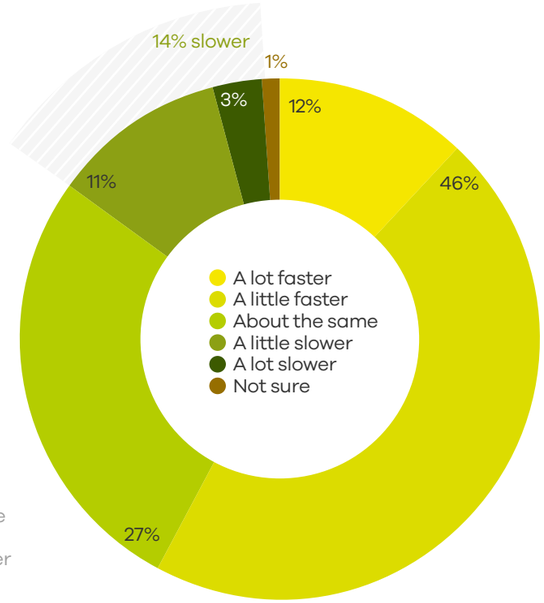
Q5. Looking ahead to the next 3-5 years, do you expect the pace of sustainability change in your organisation to be faster or slower than it is today?
Base: All sustainability professionals (n=100)

Reasons change is expected to get faster

Stricter regulatory or compliance requirements	64%
Pressure from customers or consumers	48%
The efforts of the sustainability team	47%
A clear strategy and targets	47%
External factors, such as impacts of climate change	36%
Commitment from senior leaders	34%
Pressure from stakeholders (investors, NGOs, etc.)	29%
Enthusiastic individuals or champions within the organisation	19%
The need for efficiencies or cost reduction	19%
Technological innovation	17%
Supply chain pressures	17%
A strong business case for change	16%
Pressure from employees	12%
The political climate	10%
Other	10%
Not sure	0%

Q6. What are the main reasons why you expect sustainability change in your organisation to get faster?
Base: Those sustainability professionals who expect the pace of sustainability change in their organisation to be faster (n=58)

The 14% who expect sustainability change to slow down in their organisation cite competing priorities and the need for efficiencies/cost reduction



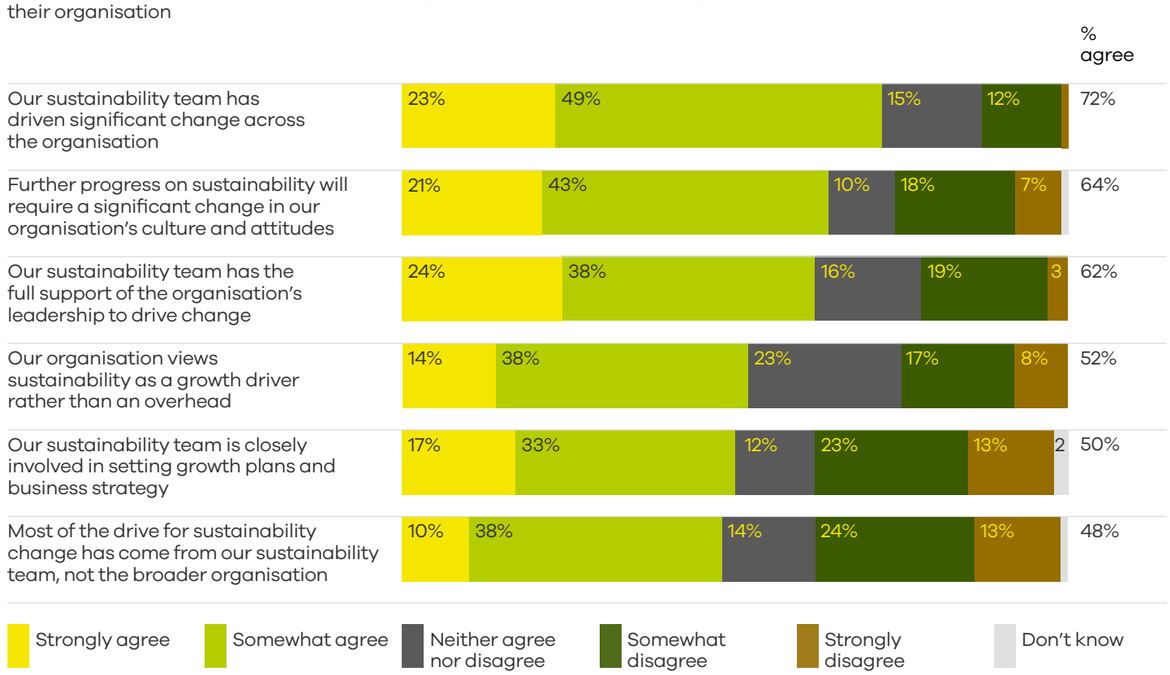
Q5. Looking ahead to the next 3-5 years, do you expect the pace of sustainability change in your organisation to be faster or slower than it is today?
Base: All sustainability professionals (n=100)

Reasons change is expected to get slower

Competing priorities	79%
The need for efficiencies or cost reduction	50%
The political climate	36%
Lack of commitment from senior leaders	36%
Supply chain pressures	29%
Lack of a clear strategy and targets	21%
Lack of enthusiastic individuals or champions within the organisation	14%
Weaker regulatory or compliance requirements	14%
Lack of a strong business case for change	14%
Lack of access to technologies	0%
Opposition from customers or consumers	0%
Opposition from employees	0%
Opposition from stakeholders (investors, NGOs, etc.)	0%
Other	21%
Not sure	0%

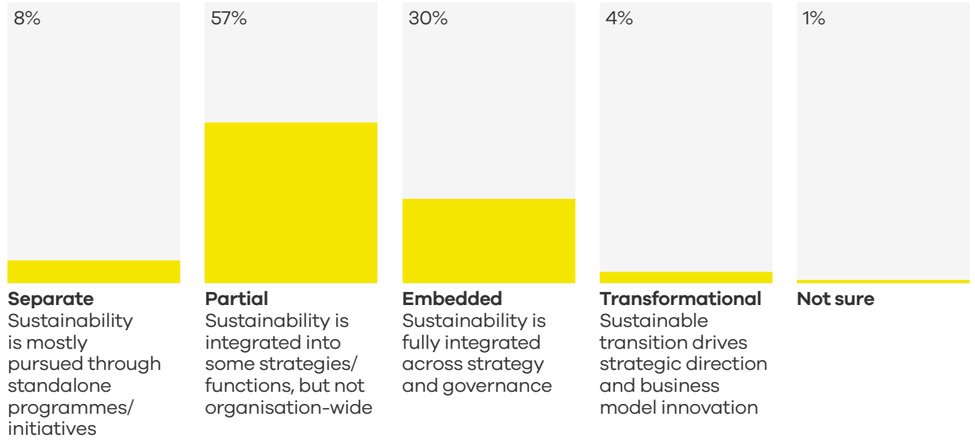
Q6. What are the main reasons why you expect sustainability change in your organisation to get slower?
Base: Those sustainability professionals who expect the pace of sustainability change in their organisation to be slower (n=14)

More than 7 in 10 say their sustainability team has driven significant change
However, more than 6 in 10 believe further progress will require cultural change in their organisation



Q8. To what extent do you agree or disagree that these statements apply to your organisation?
Base: All sustainability professionals (n=100)

More than 6 in 10 say sustainability remains separate from or only partially integrated into strategy and governance
Just 4% say sustainable transition is driving strategic direction and business model innovation



Q9. How integrated is sustainability within your organisation's decision-making, planning and strategy?
Base: All sustainability professionals (n=100)

Time is spent mostly on project management, policy and regulatory compliance, and managing specific programmes
While less time is allocated for risk assessment and management, and product and service innovation

Q10. Please rank these activities in order of the time your sustainability team devotes to each, in an average week... where 1= most time and 8=least time.
Base: All sustainability professionals (n=100)

Sustainability leaders believe their teams would be seen by colleagues as connected, commercially minded, adaptive and inclusive
They expect descriptions such as transformational, innovative and radical to be less prominent

51%
Connected
(Operates effectively across functions)

40%
Commercially minded
(Understands and responds to business priorities)

38%
Adaptive
(Flexible, responsive, learning-oriented)

36%
Inclusive
(Collaborates on decision-making)

27%
Driven by systems thinking
(Understands complexity)

25%
Transformational
(Inspires change, vision-driven)

22%
Creative/ Innovative
(Problem-solves with originality)

19%
Radical/ Disruptive
(Challenges the status quo)

Q11a. Which of these descriptions do you think colleagues in your organisation would be most likely to use about your sustainability team?
Base: All sustainability professionals (n=100)

At the same time, sustainability leaders believe their teams would be described as constrained, with limited ability to deliver at scale

51%
Constrained
(Limited influence or ability to deliver at scale)

34%
Incremental
(Focuses on small steps rather than transformational change)

31%
Idealistic
(Less focused on commercial or operational considerations)

29%
Detached
(Not always closely connected to wider organisational priorities)

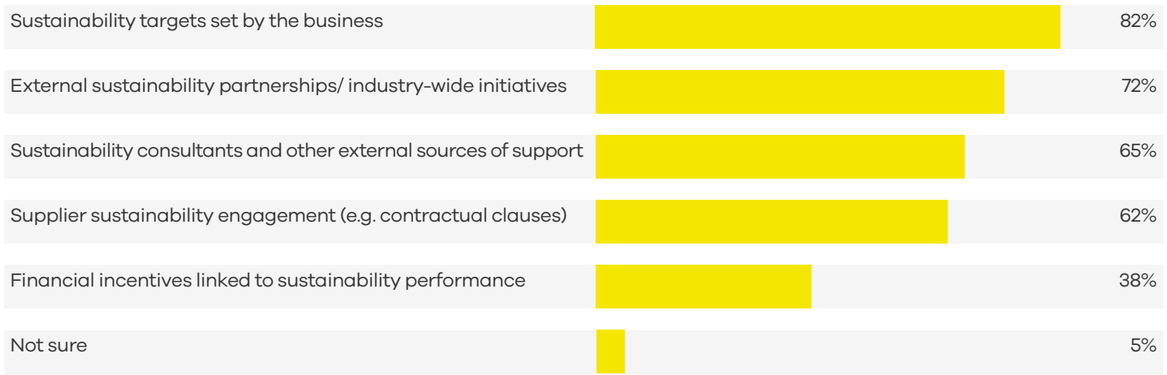
20%
Procedural
(Focused on processes and compliance rather than outcomes)

10%
Conventional
(Relies on familiar approaches rather than exploring new ones)

9%
Linear
(Approaches issues in a straightforward way, may miss some complexity)

Q11b. Which of these descriptions do you think colleagues in your organisation would be most likely to use about your sustainability team?
Base: All sustainability professionals (n=100)

4 in 5 use sustainability targets set by the business to drive sustainability progress; external partnerships and industry-wide initiatives are also common
Just 2 in 5 use financial incentives linked to sustainability performance

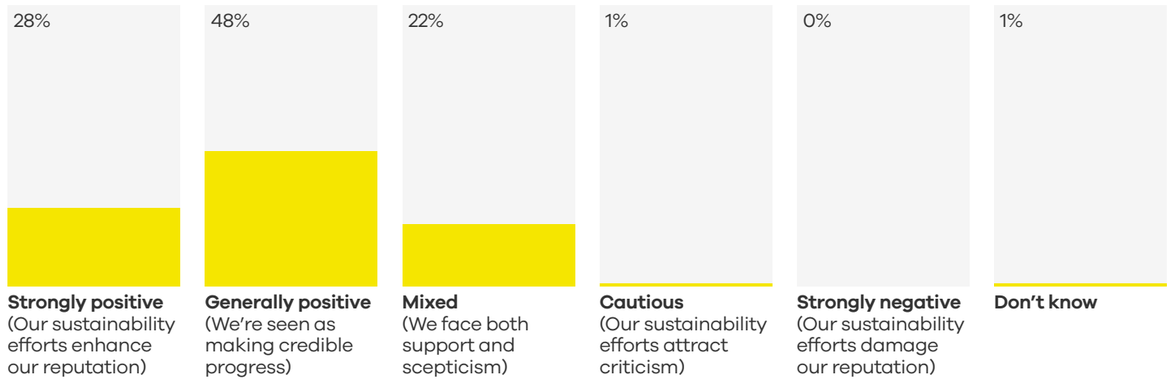


Q12. Which of these sustainability resources does your organisation currently use?
Base: All sustainability professionals (n=100)

For 2 in 3, evidence of bottom-line impact would give the biggest impetus to sustainability change
Nearly half say that stronger financial incentives and regulatory signals would have a big impact

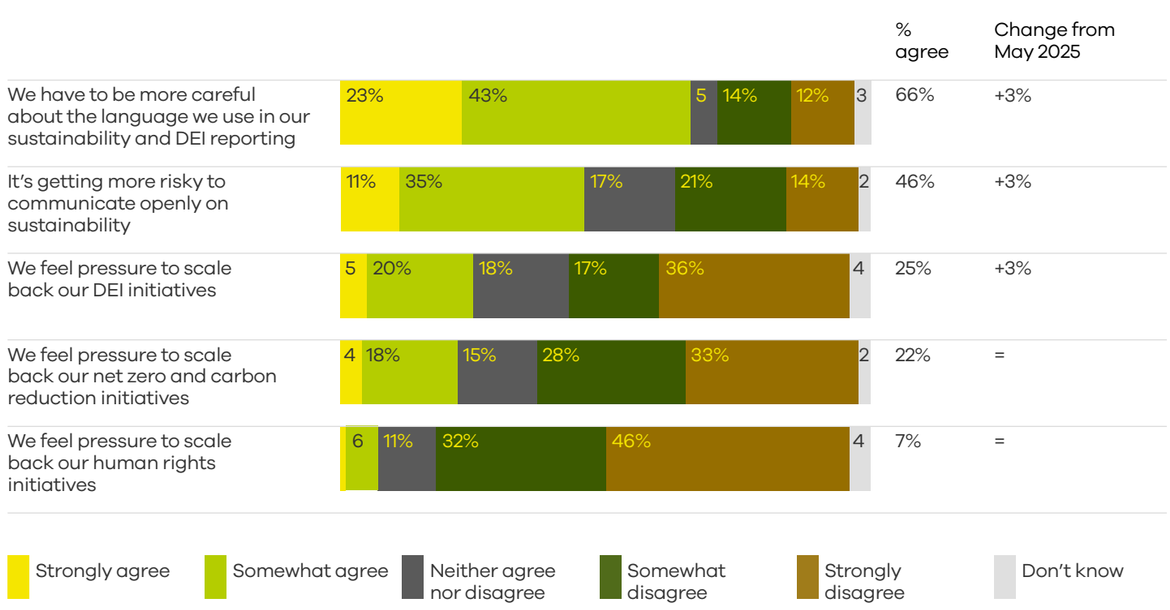
Q13. Which of these factors would have the biggest impact on your organisation's ability to deliver sustainability change?
Base: All sustainability professionals (n=100)

3 in 10 believe their sustainability efforts enhance reputation among external audiences
But nearly a quarter say the reputation impact is mixed, with both support and scepticism



Q14. In your opinion, which of these statements best describes the way external audiences view your sustainability efforts?
Base: All sustainability professionals (n=100)

2 in 3 say they have to be more careful in the language they use around sustainability and DEI...slightly higher than in May



Q15. To what extent do you agree or disagree with these statements?
Base: All sustainability professionals (n=100)

Organisations where sustainability is fully embedded or transformational tend to report more positive outcomes across a range of measures

	Embedded / Transformational	Separate / Partially integrated
Organisation's current pace of sustainability change (% a little too slow/much too slow)	29%	↑ 72%
Progress on sustainability achieved in the last 3-5 years (% a great deal)	↑ 53%	12%
Alignment of progress with organisation's sustainability strategy and ambitions (% very well aligned)	↑ 65%	17%
Impact of sustainability efforts on external reputation (% reporting strongly positive)	↑ 47%	18%
Our sustainability team has driven significant change across the organisation (% agree)	↑ 91%	63%
Further progress on sustainability will require a significant change in our organisation's culture and attitudes (% agree)	50%	↑ 72%

↑ Indicates a signficant difference between groups

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