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2025 C-suite Sustainability Report

Australia insights

October 2025



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Executive summary

In its fourth year, Deloitte Global's 2025 survey of more than 2,100 C-suite executives spanning 27 countries explores the current state of corporate sustainability and how companies are evolving their sustainability approach.

Sustainability remains a top business priority. Companies continue to increase investments, particularly in sustainability technologies. A large majority of executives say their approach to sustainability either involves transforming their business model or embedding sustainability throughout their organization. And respondents indicated that they are not reducing their sustainability actions on account of either broader market conditions like economic uncertainty or competing priorities such as the need to invest more heavily in technology.

- Forty-five percent of respondents identify climate change/sustainability as a top three challenge for their companies in the coming year, on par with technology adoption and AI, and ahead of economic outlook and trade-related challenges.
- Eighty-three percent of respondents reported increasing their sustainability investments in the last year. Of those, 69% say their investments increased somewhat (6–19%), with an additional 14% saying they increased significantly (>20%)—nearly identical to last year.

Leaders recognize the business case and related benefits from corporate sustainability efforts. Revenue generation was the most frequently cited business benefit across a range of sustainability actions, followed by compliance-related outcomes, and finally cost savings and brand and reputation. Technology solutions have emerged as a key enabler of corporate sustainability efforts, and AI use is already ubiquitous.

- Across a range of sustainability initiatives respondents reported undertaking, very few (10% or less) said they had a negative impact on a variety of business outcomes, including revenue generation, cost reduction, brand and reputation, compliance and governance, and risk and resiliency.
- As it was last year, “Implementing technology solutions to help achieve sustainability goals” was one of the most-frequently cited action taken among respondents. Technology also came out on top when respondents were asked to rank their highest-priority initiatives.
- Eighty-one percent of respondents globally report they are already using AI to further their company’s sustainability efforts.

Executive summary (continued)

There has been a slight decrease in the percentage of respondents that say they have undertaken a range of sustainability actions after several years of advancement.

- Compared to last year, fewer respondents say they are:
 - Tying senior leaders' compensation to sustainability performance: 36% vs. 43% (2025 vs. 2024)
 - Requiring suppliers and business partners to meet specific sustainability criteria: 38% vs. 47%
 - Decreasing operations emissions by purchasing renewable energy: 42% vs. 49%
 - Developing new sustainable products or services: 44% vs. 48%
 - Using more sustainable materials: 45% vs. 51%
 - Increasing energy efficiency: 45% vs. 49%
 - Implementing technology solutions: 46% vs. 50%

Both the obstacles and pressure for action have shifted from prior years. Relatively few executives said that cost or lack of policy support were key barriers to their sustainability efforts, instead pointing to challenges in measuring environmental impacts. Leaders report climate change as less disruptive to their business strategy and operations in the near term than they have in past years. In addition, respondents indicate pressure from various stakeholders has waned, and is not uniformly in the same direction, which may be a factor impacting companies.

- Executives indicate that most stakeholders continue to push for increased sustainability efforts, but there remains a minority that are pressing to reduce action, and pressure from stakeholders overall has decreased in recent years.
- Across nearly every major stakeholder group, fewer respondents today say they are feeling pressure to act on sustainability than in 2022. That includes shareholders (71% in 2022 to 58% in 2025), boards (75% to 60%), governments (77% to 58%), civil society (72% to 57%), customers (75% to 57%), and employees (65% to 54%).

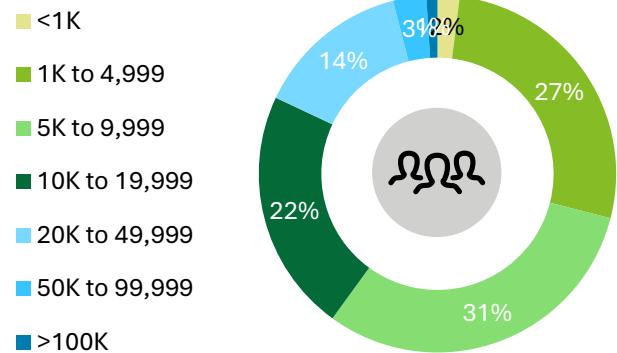
A set of sustainability actions is emerging as a de facto roadmap for leaders, based on multiple years of survey data, suggesting a path companies can follow to embed sustainability considerations into their strategy, operations, and innovation.

- Across multiple years, top actions taken have included:
 - Implementing technology solutions
 - Using more sustainable materials
 - Developing more sustainable products and services
 - Implementing operational efficiency measures
 - Tracking and disclosing sustainability metrics

Australia country business profile

104 executives in Australia were surveyed

Number of employees

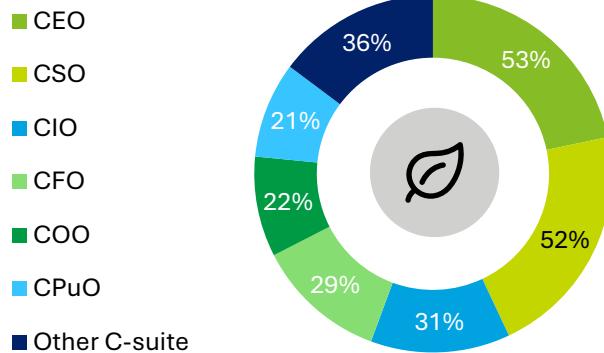


Job title



Note: CDaO is Chief Data Officer;
CPuO is Chief Purpose Officer

Position(s)* at your company responsible for sustainability goals



*Some respondents indicated multiple roles within the company have responsibility, resulting in the total percentage across roles exceeding 100%.

Revenue (US\$)



Industry

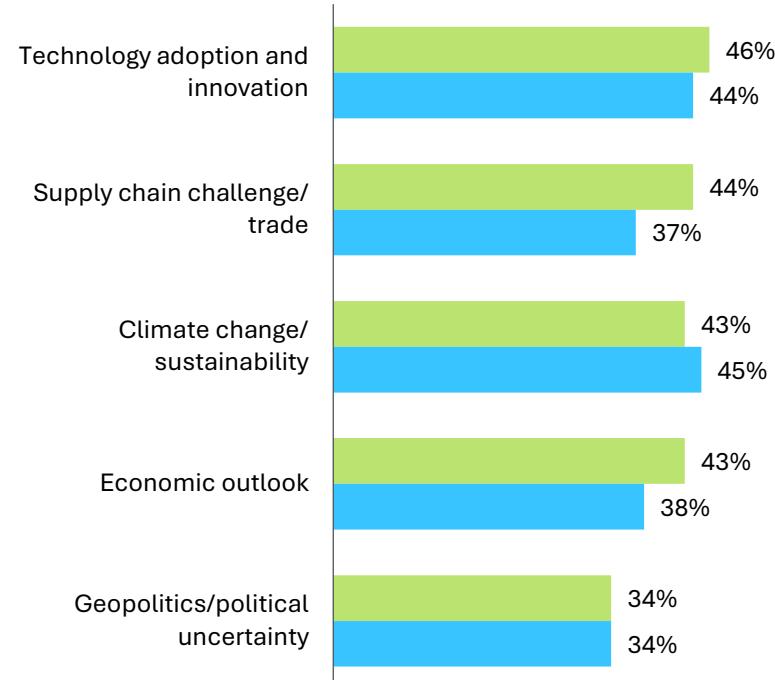


Sustainability as a business priority

Technology adoption is the top priority for Australian organizations with supply chain challenges, climate change/sustainability and economic outlook closely following.

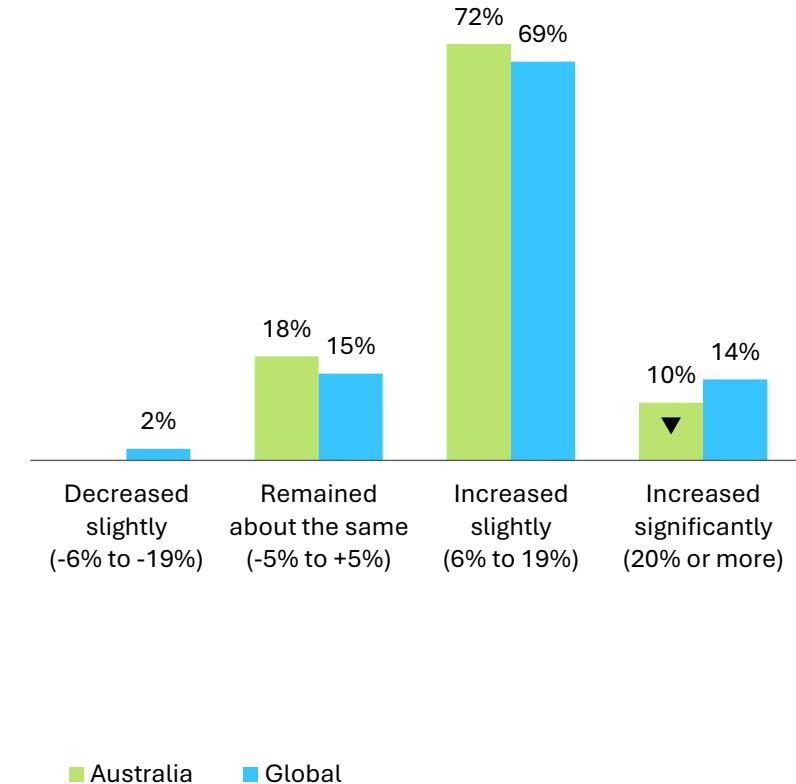
- Australian organizations place a higher emphasis on supply chain challenges compared to their global counterparts, with 44% ranking it as a top concern versus 37% globally.
- In terms of sustainability investments, 72% of Australian companies reported a slight increase, just above the global average.
- Furthermore, 10% of Australian organizations have significantly increased their investments in sustainability, below the global data and down from 2024.

What does your organization see as the most pressing challenges to focus on over the next year? (rank eight options in order of importance)



■ % ranked in the Top 3, Australia
■ % ranked in the Top 3, Global

How have your sustainability investments changed over the last year?



■ Australia ■ Global

Company approach to sustainability

Four in ten Australian executives look to embed sustainability throughout their business as their approach to sustainability, higher compared to the previous year.

- 37% indicate climate change/sustainability is central to their organization's strategy.
- In contrast, 12% (down from 2024) indicate they are focusing primarily on incremental changes.

Which of the following statements best describes your company's current approach to environmental sustainability and climate change challenges? (select one)

Sustainability considerations are embedded throughout the organization, but do not impact the core business model



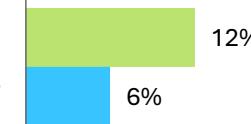
Transforming the business model to help address climate change and sustainability is central to the organization's strategy



Focusing primarily on incremental process or operational changes to help improve sustainability



Sustainability efforts are mostly focused on ensuring compliance with regulatory requirements



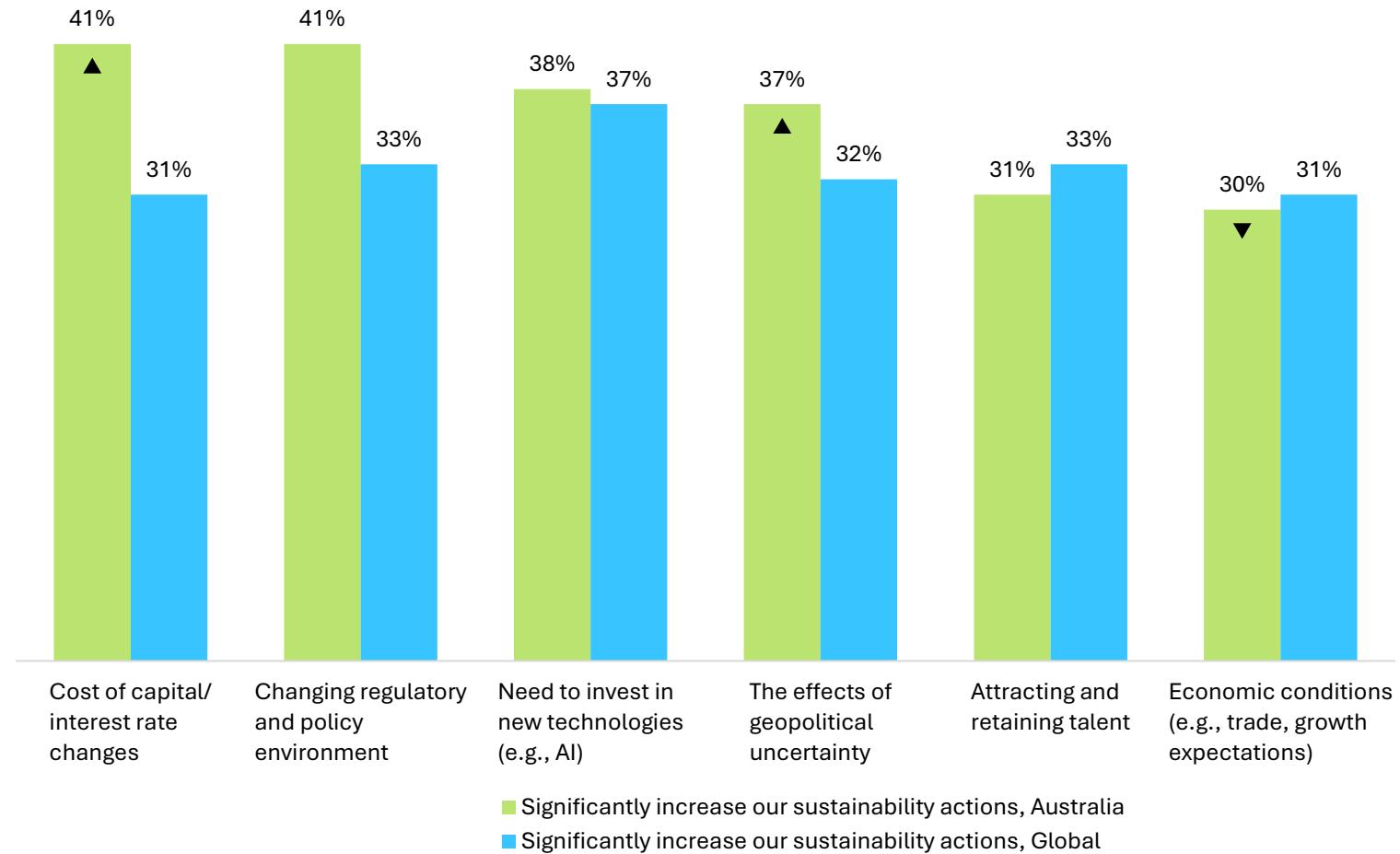
■ Australia ■ Global

Broader market conditions' and competing priorities' effects on sustainability actions

In Australia, broader market conditions and competing priorities are not causing most companies to reduce sustainability actions.

- Market conditions such as the cost of capital, regulatory changes and the effects of geopolitical uncertainty are prompting sustainability action at a higher rate in compared to the global average.
- The need to invest in new technologies has not caused a decrease in sustainability action. In fact, 38% reported that they've significantly increased sustainability actions prompted by the need to invest.
- The effects of economic conditions have lessened in that regard in 2025 compared to 2024.

How have the following matters affected your organization's sustainability actions over the last year?

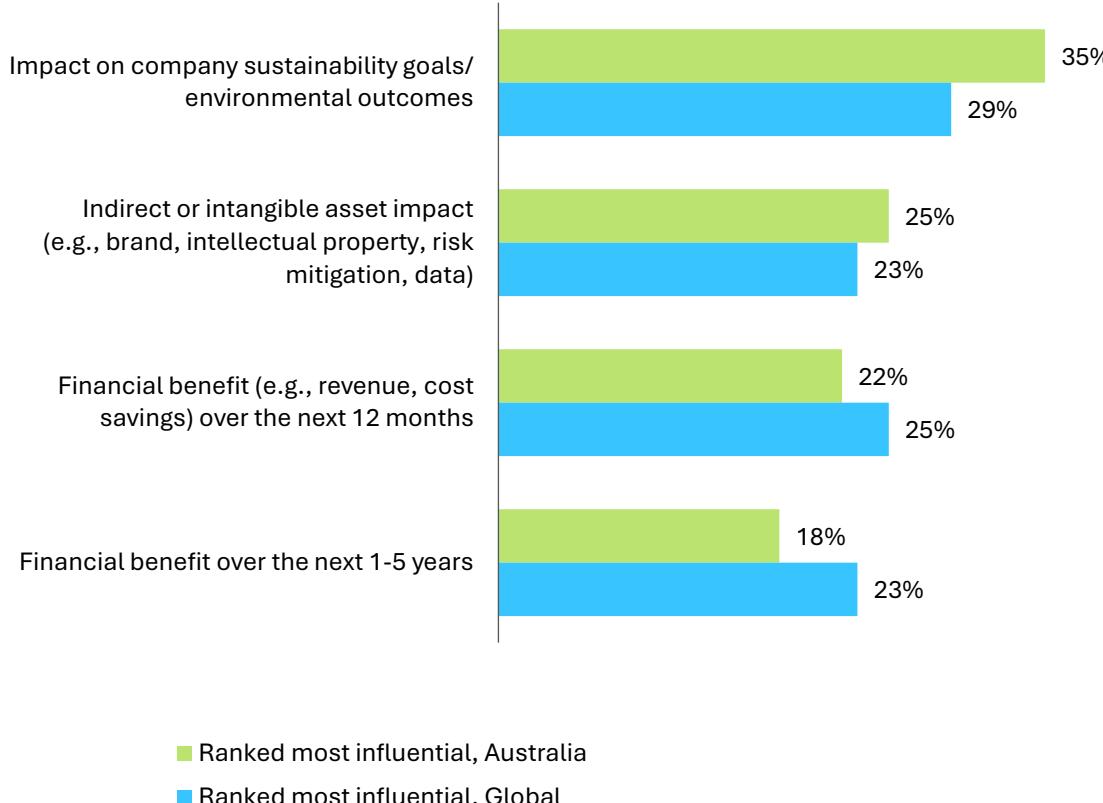


Business case and benefits from sustainability efforts

Environmental outcomes are cited as more influential when assessing sustainability investments than financial returns for Australian executives.

- 35% cite impact on company sustainability goals as influencing decision-making, notably higher than the global average. Indirect or intangible impact (25%) also trends slightly higher in Australia vs. global.
- Financial benefit in the short and longer-term rank lower than global levels as decision-making drivers when assessing sustainability investments.

When assessing potential sustainability actions and investments, which outcomes are most influential in driving decision-making? (rank in order of influence)



How would you assess sustainability efforts impact on the following dimensions? (positive, neutral, negative)



Sustainability actions undertaken to meet environmental goals

Emissions reduction via efficiency and sustainable materials top the list of Australia's sustainability efforts taken, both increasing from 2024 levels.

- While each in the top actions cited, using sustainable materials, implementing technology solutions, and developing sustainability talent have decreased since 2024.

Which of the following actions has your company already undertaken as part of its sustainability efforts? (select all that apply)

Top actions taken - Australia

55% 

Decreasing operations emissions through efficiency
In 2024 = 43%

52% 

Using more sustainable materials
In 2024 = 57%

52% 

Implementing technology solutions to help achieve sustainability goals
In 2024 = 58%

49% 

Developing sustainability talent
In 2024 = 59%

48% 

Developing new sustainable products or services
In 2024 = 52%

Top actions taken - Global

46% 

Implementing technology solutions to help achieve sustainability goals
In 2024 = 50%

45% 

Using more sustainable materials
In 2024 = 51%

45% 

Decreasing operations emissions through efficiency
In 2024 = 49%

44% 

Developing new sustainable products or services
In 2024 = 48%

44% 

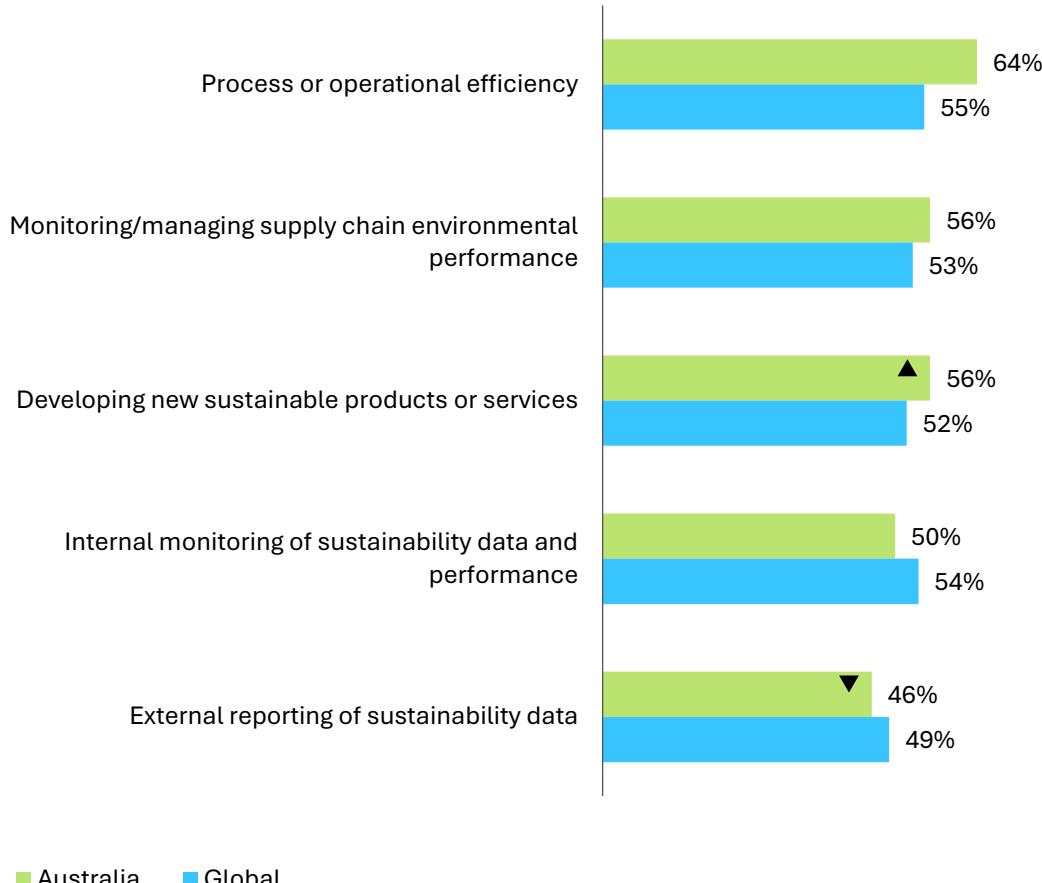
Tracking and analyzing environmental metrics
In 2024 = 44%

Technology as an enabler of sustainability efforts

Australian executives drive sustainability through tech-enabled operational efficiency at a higher rate than the global average.

- Using technology to develop new sustainable products or services (54%) has increased since 2024, while external reporting of sustainability data (46%) has decreased.
- 78% indicate they are using AI to assist in sustainability efforts at their companies.

In which areas is your company implementing or planning to implement technology solutions to help achieve sustainability goals? (select all that apply)

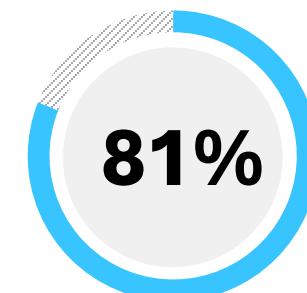


Note: Respondents include those that indicated their company has or plans to implement technology solutions

Has your company used AI to further its sustainability efforts?



Australia



Global

Obstacles to sustainability action

The lack of sustainable solutions is the top cited obstacle for Australian organizations' sustainability efforts.

- Difficulty measuring the environmental impact (22%, up from 2024) and competing operations demands (20%) are other top obstacles in Australia.
- No specific sustainability function, limited policy support, and cost were less likely to be mentioned as barriers.

What are the top obstacles to deploying sustainability efforts at your organization? (select top two)

Lack of sustainable solutions or insufficient supply of more sustainable inputs

Top three obstacles cited



Difficulty measuring environmental impact

Competing operations demands on time/resources/capital

Bottom three obstacles cited

No function or executive specifically responsible for leading sustainability efforts



Limited policy support

Too costly

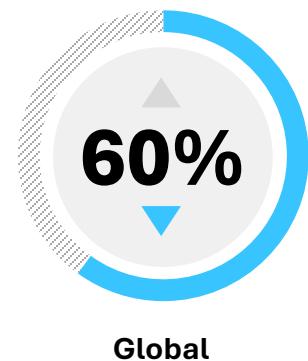
■ Australia ■ Global

Impacts on business strategy and operations

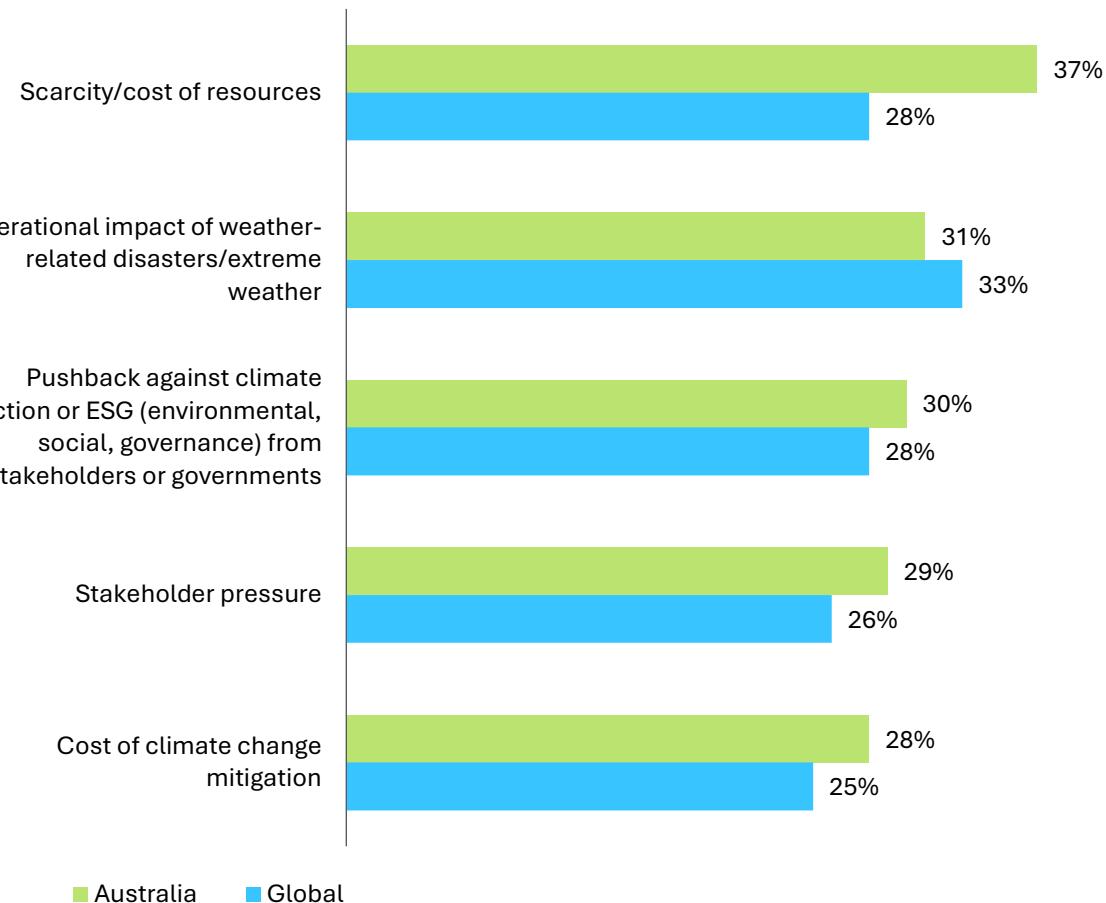
In Australia, 60% expect their company strategy to be impacted by climate change, a decrease from last year.

- Scarcity/cost of resources is the top issue already impacting Australian businesses (37%) – significantly higher than the global average.

Executives who expect climate change to impact their company's strategy and operations to a high/very high extent over the next 3 years



What are the top sustainability matters that are already impacting your business? (select top three)

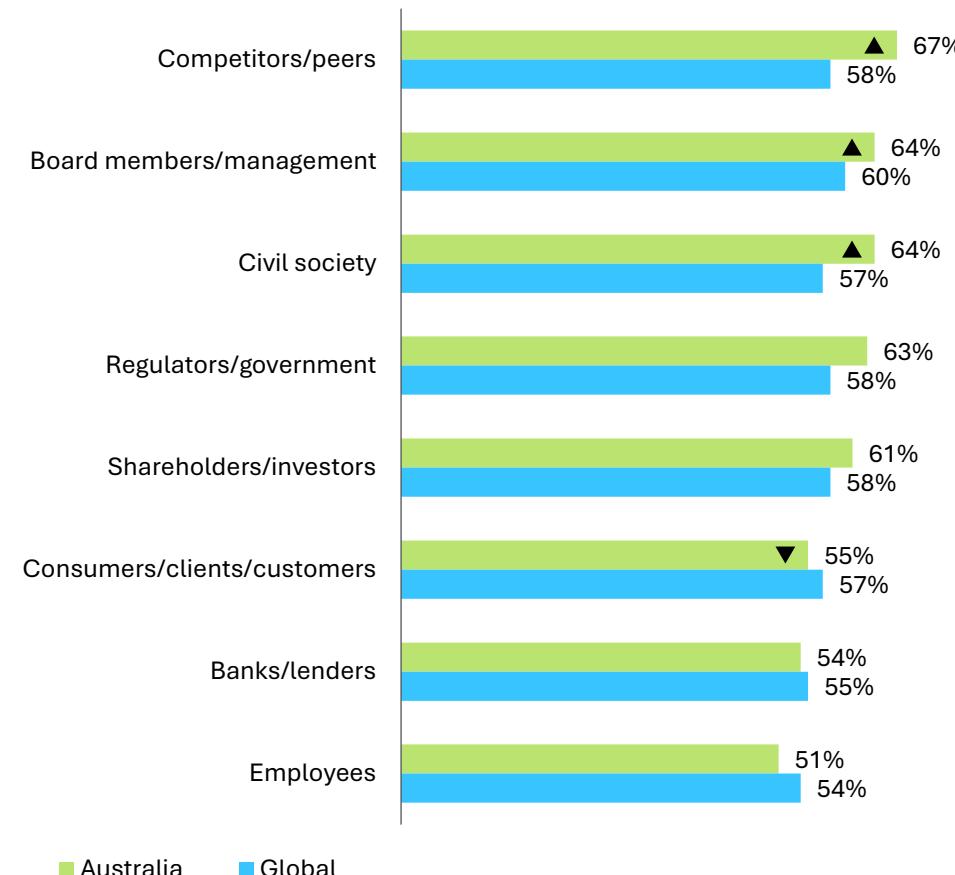


Stakeholder pressure on sustainability

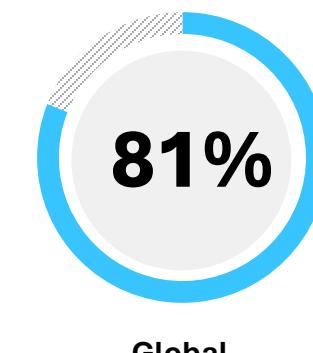
Australian executives face rising pressure from peers and competitors, board members and management, and civil society around their sustainability efforts in 2025, which are also higher than the global level.

- While over half indicate feeling pressure from consumers/clients/customers, it is lower compared to 2024.
- 81% of Australian executives indicate feeling pressure across stakeholder groups to increase sustainability action.

Executives who feel pressure from the following stakeholders to a moderate/large extent to increase or decrease their efforts in addressing sustainability



Average percentage of organizations feeling pressure across stakeholders' groups to increase action



Number represents average across all stakeholder groups of those who selected Somewhat or Significantly increase sustainability action.

A roadmap of sustainability actions is emerging

Based on multiple years of survey data, a de facto roadmap appears to be emerging around a set of sustainability actions, offering companies a potential path to embed sustainability considerations into strategy, operations, and innovation. Across multiple years, top actions taken have included:



Implementing technology solutions



Using more sustainable materials



Developing more sustainable products and services



Implementing operational efficiency measures



Tracking and disclosing sustainability metrics

Navigating the future of corporate sustainability: Key questions for c-suite leaders

The current corporate sustainability landscape is dynamic. Policy and regulatory conditions are changing around the world, the economics of key sustainability solutions continue to shift, and the impacts of a changing environment are growing more acute—set against a backdrop of changes in the broader business environment.

Today's dynamic conditions provide an opportunity for organizations to reevaluate their sustainability ambition, strategy, investments, initiatives, and execution to help ensure they both meet their sustainability goals and further build resilience into their organizations. To guide that effort, leaders can consider:

1 Which sustainability matters are material for their business and stakeholders? Where can the organization create real value and impact? Where are they best positioned to move the needle on key metrics?

2 What resources is their organization willing and able to commit? Budget, talent, executive support, organizational capital—what is the level of support available?

3 How patient is their organization? How patient are their key stakeholders? Are they prepared to wait 5–10 years for results, and/or are short-term wins needed?

4 What level of risk and uncertainty can their business tolerate? What volatility (regulatory, reputational, physical) can the organization absorb?

5 What are the dependencies? Would this action require policy shifts, technology breakthroughs, demand guarantees, and/or ecosystem alignment?



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