



2025 C-suite Sustainability Report

Middle East 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%).

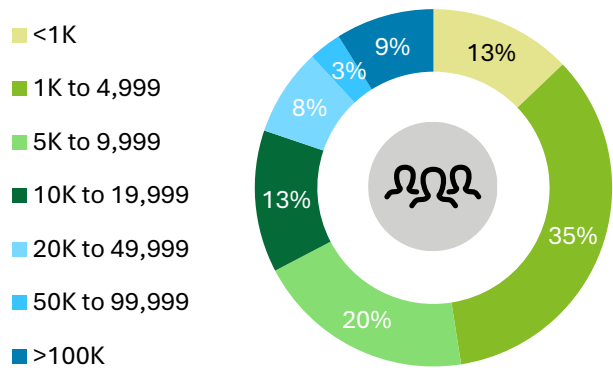
A set of sustainability actions is emerging as a de facto roadmap for leaders, based on multiple years of survey data, suggesting a path companies can follow to embed sustainability considerations into their strategy, operations, and innovation.

- 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

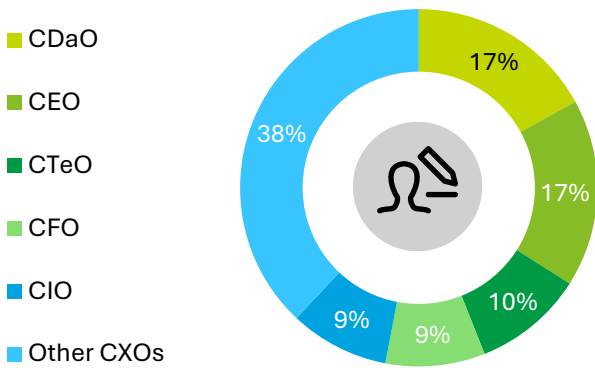
Middle East region business profile

117 executives in the Middle East were surveyed

Number of employees

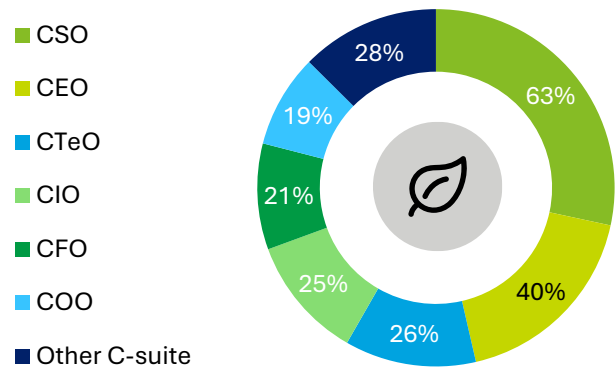


Job title



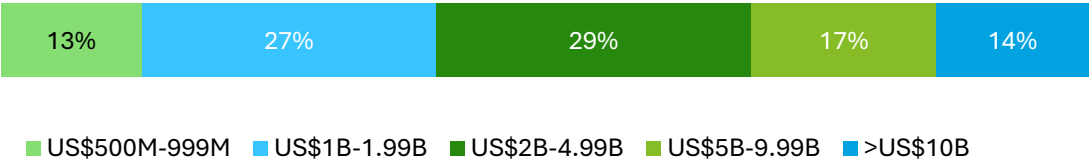
Note: CDaO is Chief Data Officer; CTeO is Chief Technology Officer

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

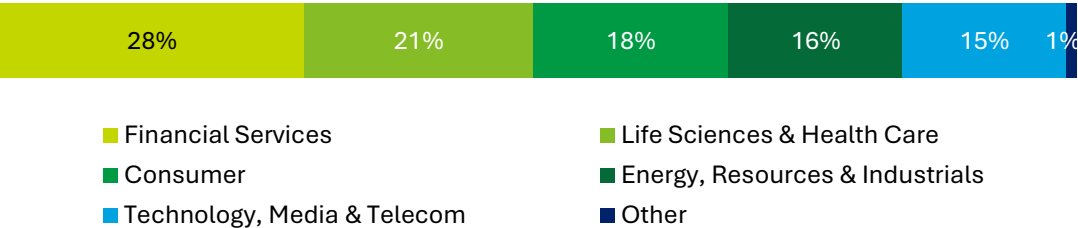


*Some respondents indicated multiple roles within the company have responsibility, resulting in the total percentage across roles exceeding 100%.

Revenue (US\$)



Industry

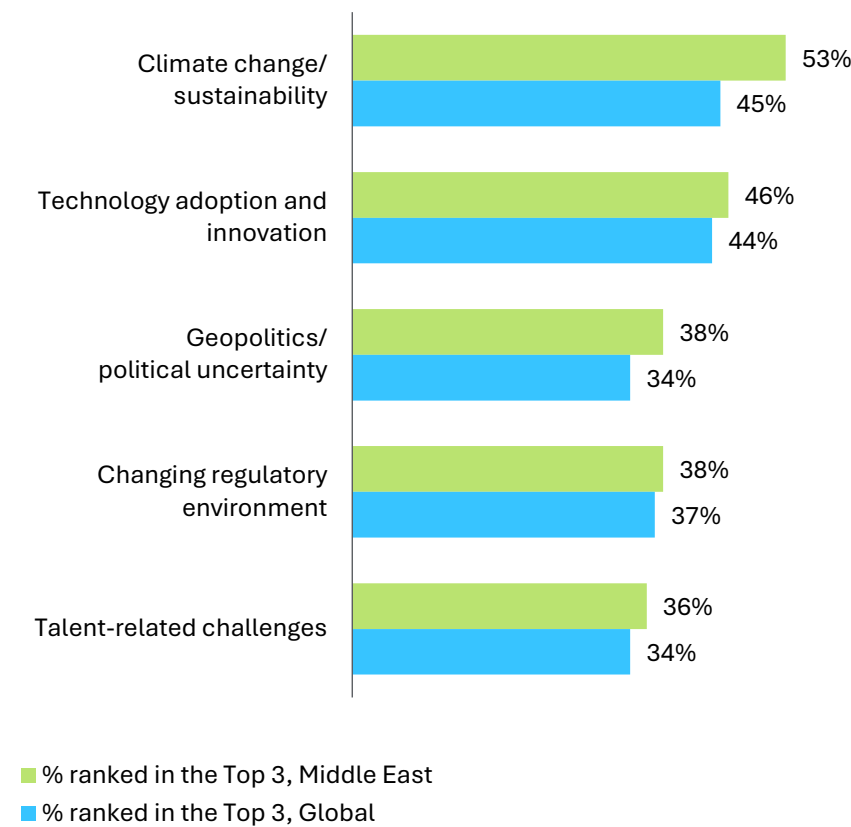


Sustainability as a business priority

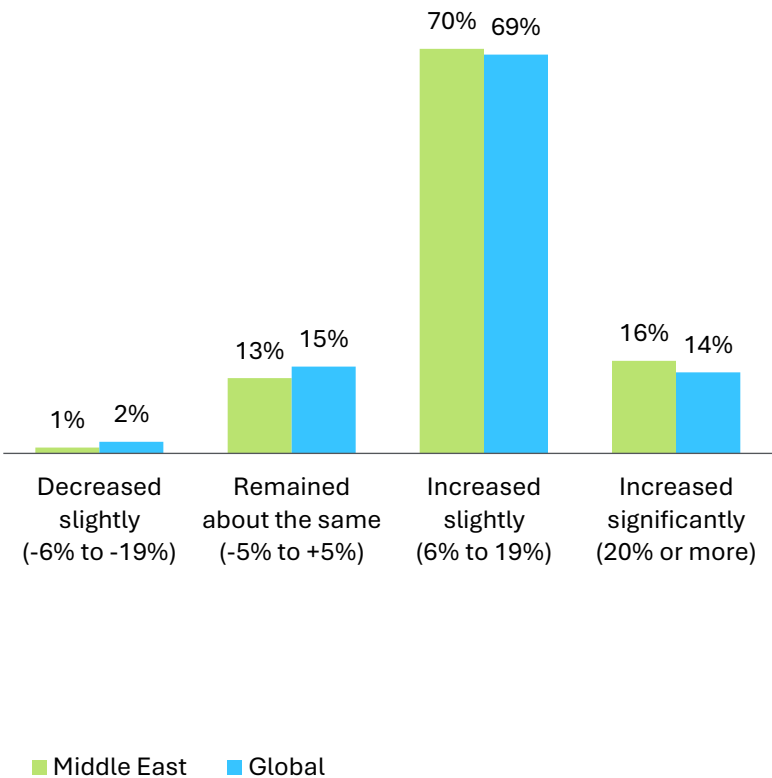
Middle Eastern companies balance innovation and climate concerns with growing sustainability investments.

- Climate change and sustainability (53%) is the top priority for executives, higher than the global average (45%).
- Technology adoption and innovation (46%) is rising in importance as well, ahead of global peers.
- 86% of Middle Eastern organizations report increases in sustainability investments, consistent both with the global average and 2024 allocations.

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



How have your sustainability investments changed over the last year?

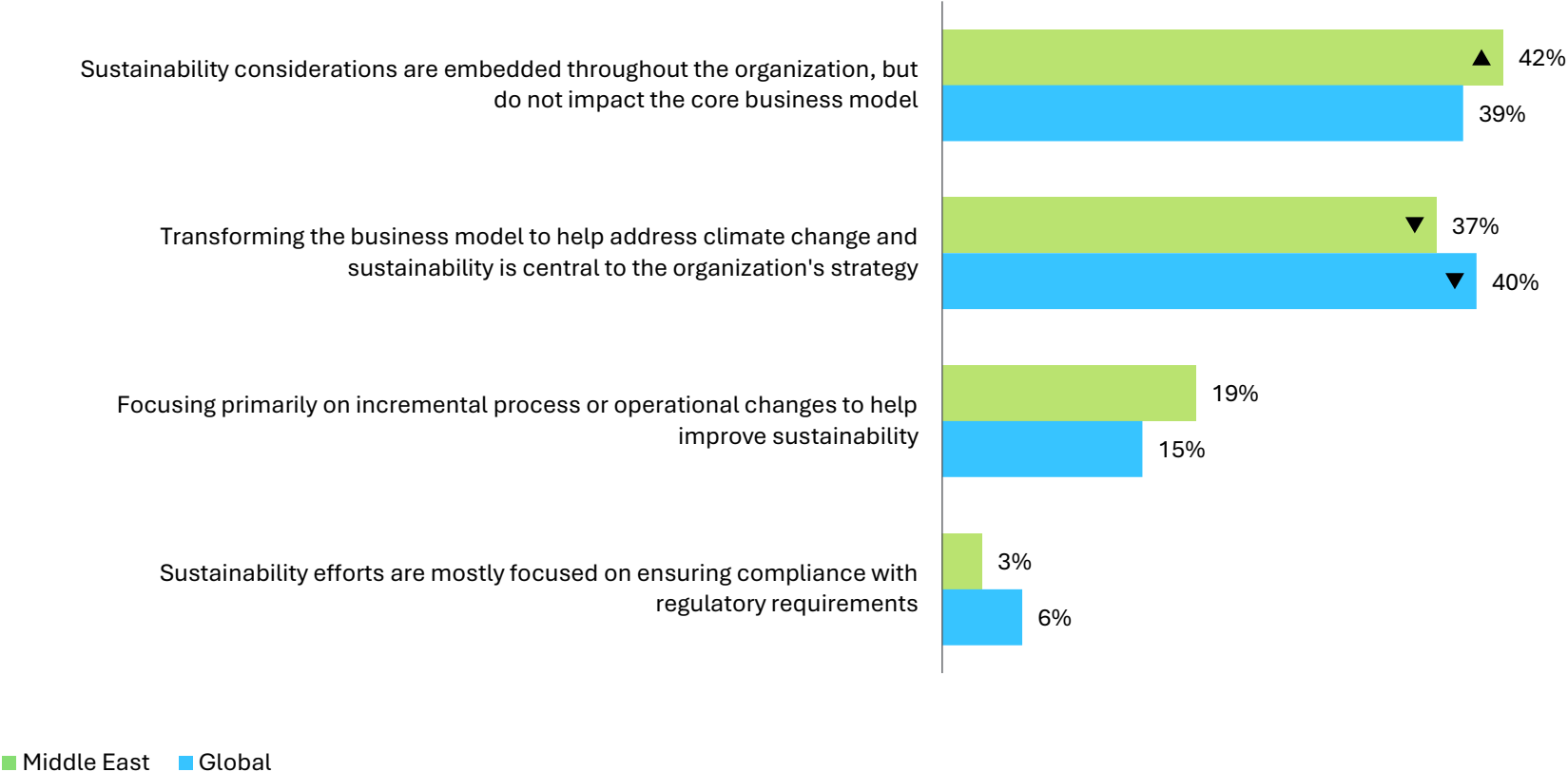


Company approach to sustainability

Middle Eastern companies are more likely to embed sustainability considerations throughout their organization than to transform their business model.

- Four in ten Middle Eastern organizations (42%) report embedding sustainability considerations across the organization without altering the core model, slightly above the global figure of 39%. This has grown from 2024.
- 37% say that transforming their business model to address climate change and sustainability is central to their strategy, below the global average (40%) and shrinking.

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

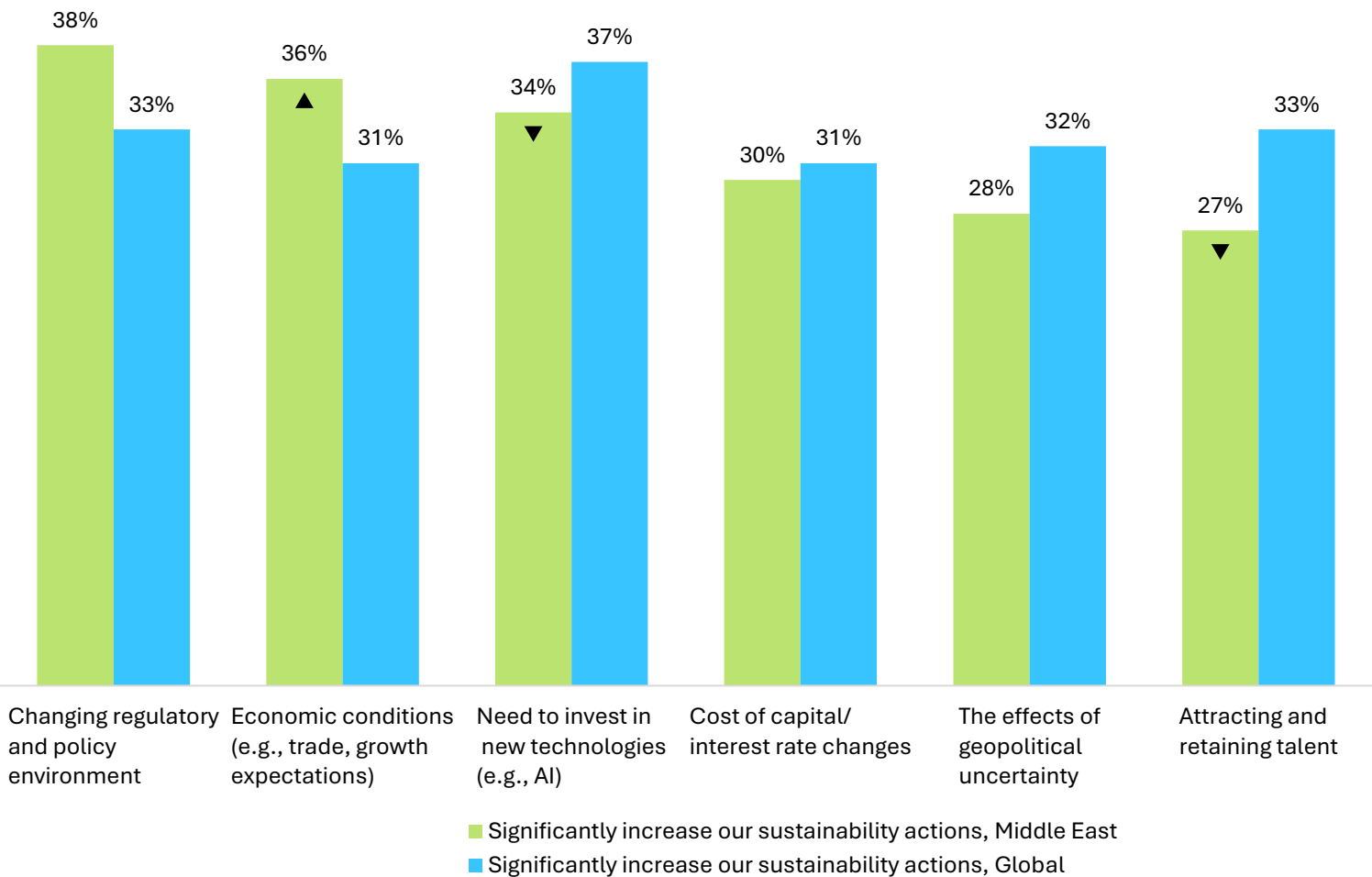


Broader market conditions’ and competing priorities’ effects on sustainability actions

Middle Eastern organizations see changing regulations and economic growth as the strongest drivers of sustainability action.

- For Middle Eastern companies, the changing regulatory and policy environment (38%) and economic conditions (36%) are the top matters cited by executives that prompted a significant increase in sustainability actions, above the global average (37%).
- Investment in new technologies (34%) remains a key impact in this regard, though this influence has declined from 2024 levels.

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



▲ ▼ Arrows indicate increases or decreases of 5 percentage points or more compared to 2024 where applicable.

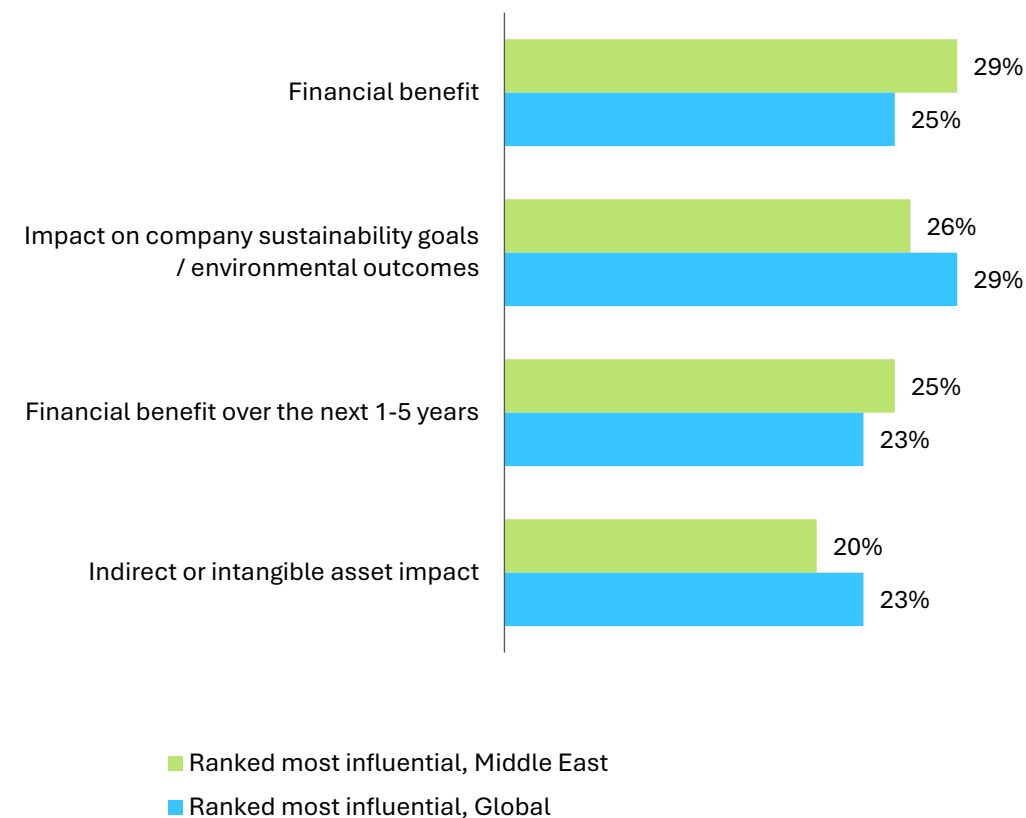
Business case and benefits from sustainability efforts

Middle Eastern companies balance financial priorities with sustainability outcomes but report weaker governance and reputation gains.

- Financial benefit (29%) is the most influential factor driving sustainability decisions in the Middle East, slightly above the global average (25%). Organizations also weigh progress on sustainability goals (26%), aligning closely with global peers (29%).
- Companies in the region see strong business value from sustainability, particularly in revenue generation (68% vs. 66% globally) and cost reduction (57% vs. 55%), but they lag the global average on regulatory compliance (55% vs. 61%) and brand reputation (53% vs. 60%).

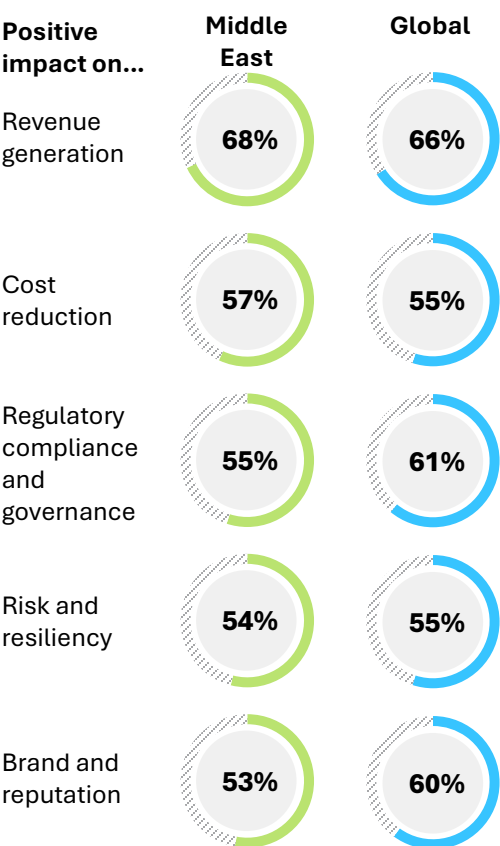
When assessing potential sustainability actions and investments, which outcomes are most influential in driving decision-making?

(rank in order of influence)



How would you assess sustainability efforts impact on the following dimensions?

(positive, neutral, negative)



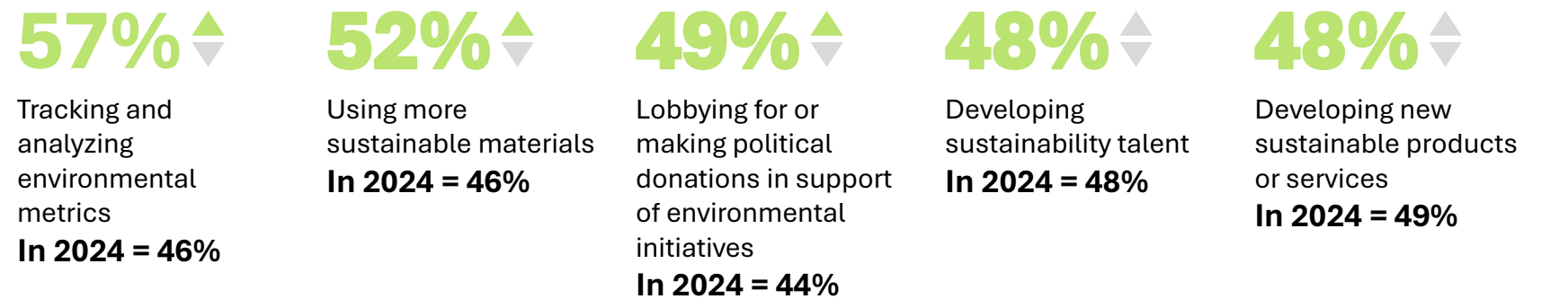
Sustainability actions undertaken to meet environmental goals

Middle Eastern organizations are emphasizing measurement and material use, while political advocacy is also gaining traction.

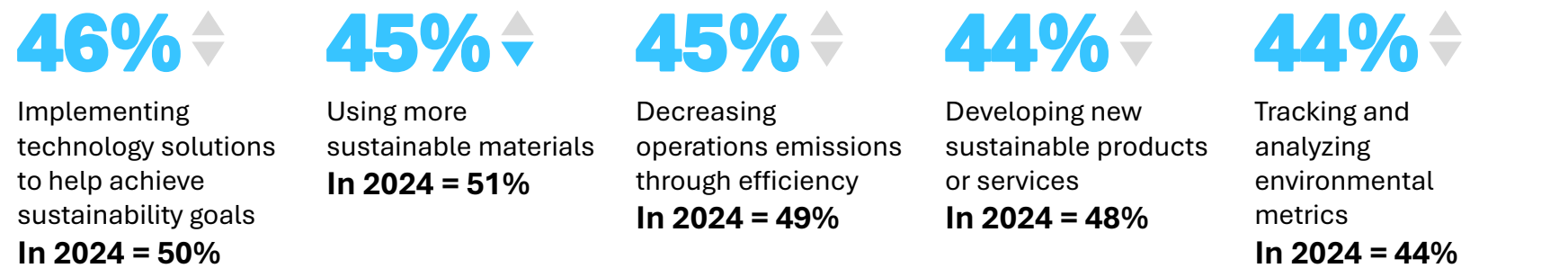
- The most common action is tracking and analyzing environmental metrics (57%), considerably higher than the global average (44%) and 2024 rates (46%).
- An emphasis has also been placed on using more sustainable materials (52%) and political lobbying (49%), growing from 2024.

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

Top actions taken - Middle East



Top actions taken - Global

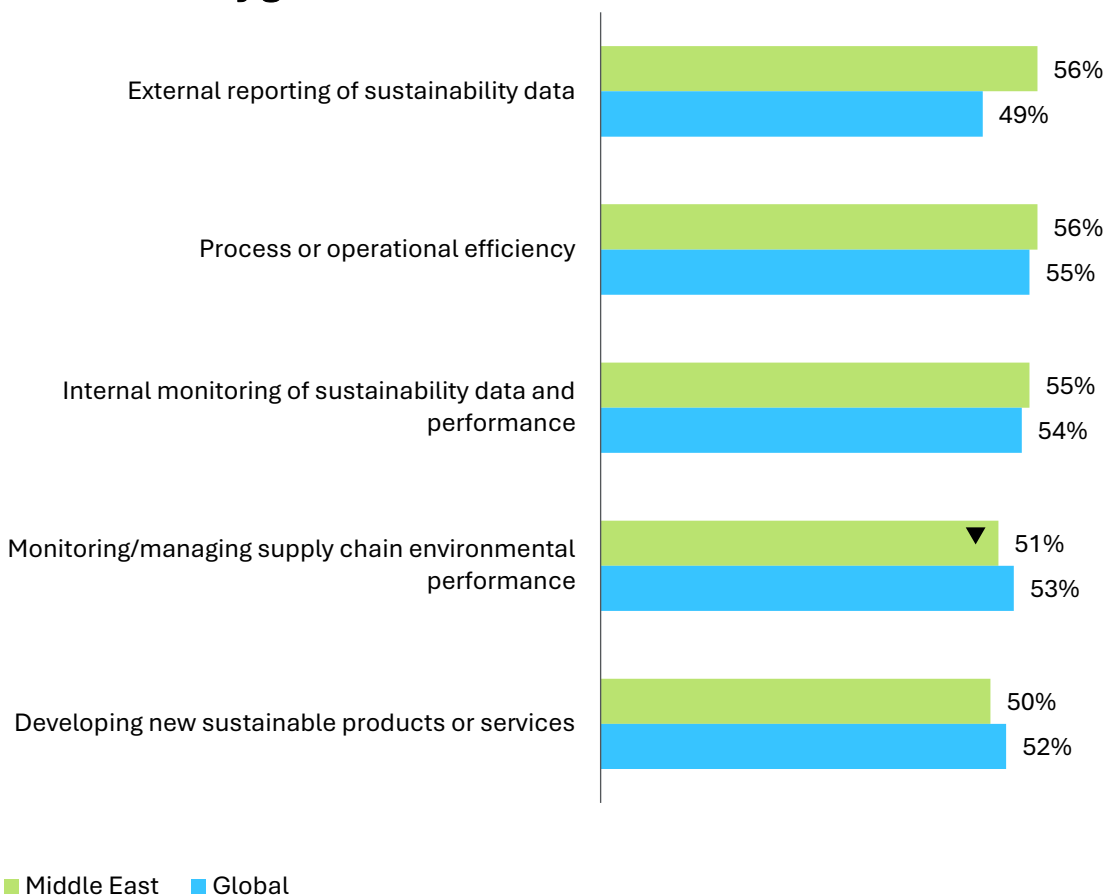


Technology as an enabler of sustainability efforts

Middle Eastern companies leverage technology to strengthen sustainability, with AI adoption matching global counterparts.

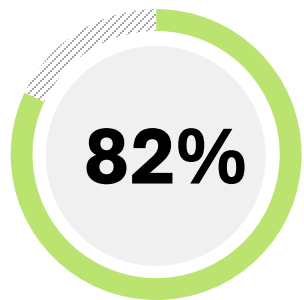
- Organizations in the Middle East are broadly aligned with global peers in their use of technology for sustainability. Their top areas of focus include external reporting of sustainability data (56% vs. 49% globally) and process or operational efficiency (56% vs. 55%), both slightly ahead of the global average.
- AI is established in the region with 82% of Middle Eastern companies reporting its use to advance their sustainability goals, in line with the global figure (81%).

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

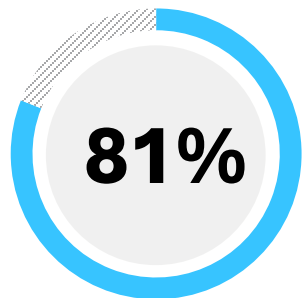


Note: Respondents include those that indicated their company has or plans to implement technology solutions

Has your company used AI to further its sustainability efforts?



Middle East



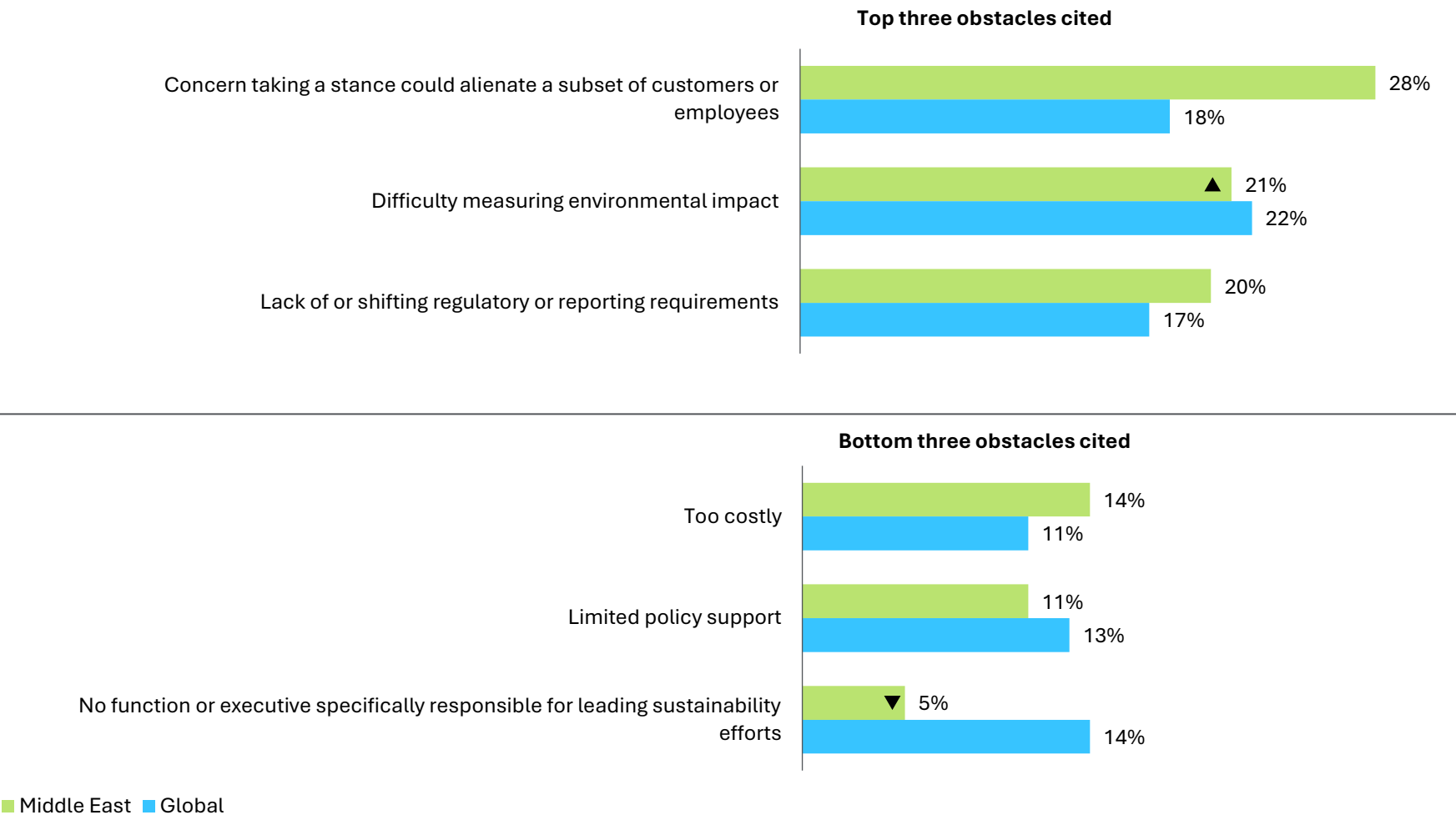
Global

Obstacles to sustainability action

Middle Eastern companies face reputational concerns and measurement challenges as leading barriers to sustainability, while cost and executive responsibility are seen as less critical.

- The most prominent obstacle is concern that taking a stance on sustainability could alienate certain customers or employees (28%), considerably higher than the global average (18%).
- Other key challenges include difficulty measuring environmental impact (21%) and shifting regulatory or reporting requirements (20%).
- By contrast, lack of executive accountability (5%) is cited far less often than globally (14%) and is falling from 2024.

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



Impacts on business strategy and operations

Middle Eastern executives see climate change as a disruptor, though expectations have eased from last year.

- 63% of executives expect climate change to have a high or very high impact on their company's strategy and operations over the next three years, slightly above the global average of 60% and falling from 2024.
- The most significant sustainability matters already impacting businesses are the operational effects of extreme weather (39%), regulatory pressures aimed at decreasing emissions (32%) and changing consumption patterns and preferences (32%).

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

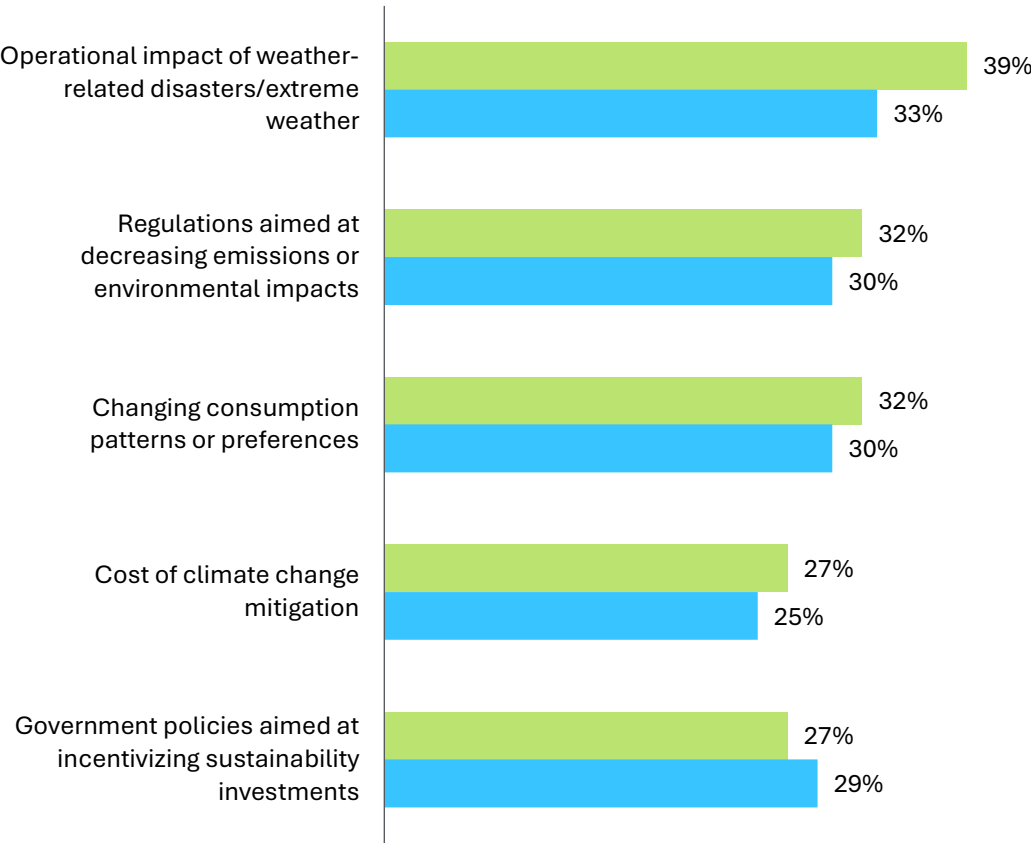


Middle East



Global

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



Middle East Global

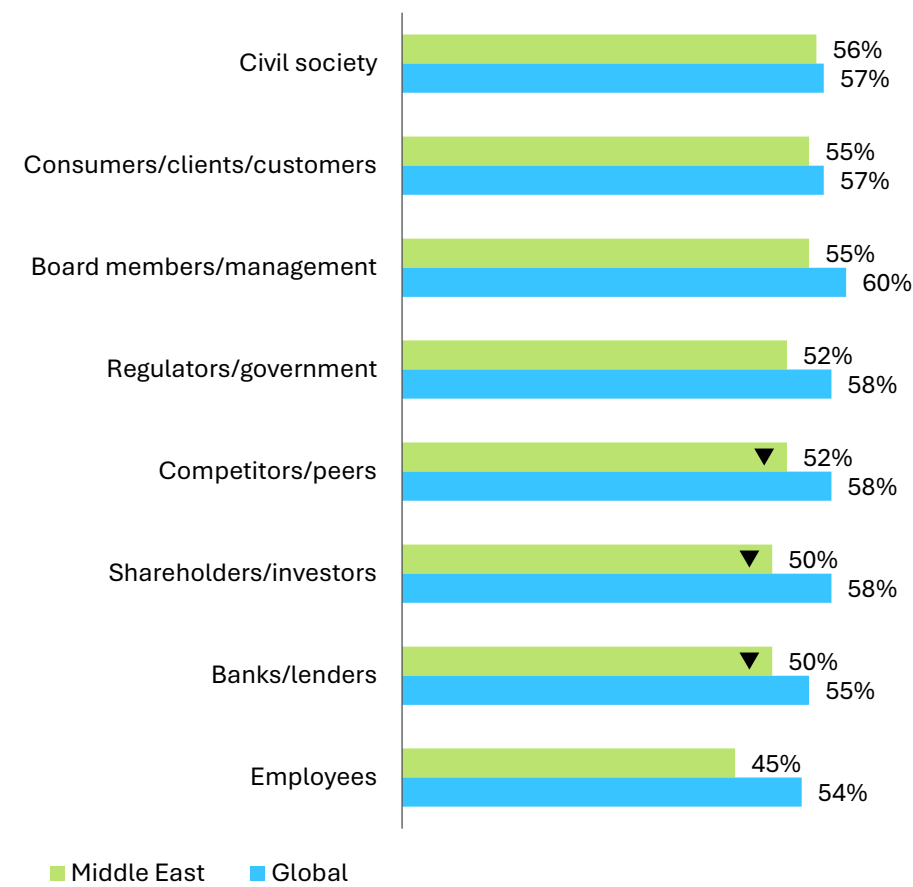
▲ ▼ Arrows indicate increases or decreases of 5 percentage points or more compared to 2024 where applicable.

Stakeholder pressure on sustainability

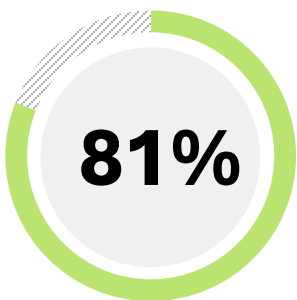
Middle Eastern executives report easing stakeholder pressure on climate action, at levels below the global average.

- 81% of organizations in the Middle East experience stakeholder pressure to increase action, on par with the global counterparts.
- The top sources of influence are civil society (56%), customers/clients (55%), and board members/management (55%), though all remain lower than global benchmarks (57%, 57%, and 60%, respectively).

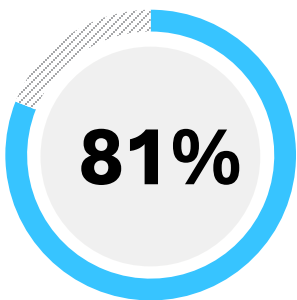
Executives who feel pressure from the following stakeholders to a moderate/large extent to increase or decrease their efforts in addressing sustainability



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



Middle East



Global

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?

Contacts



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