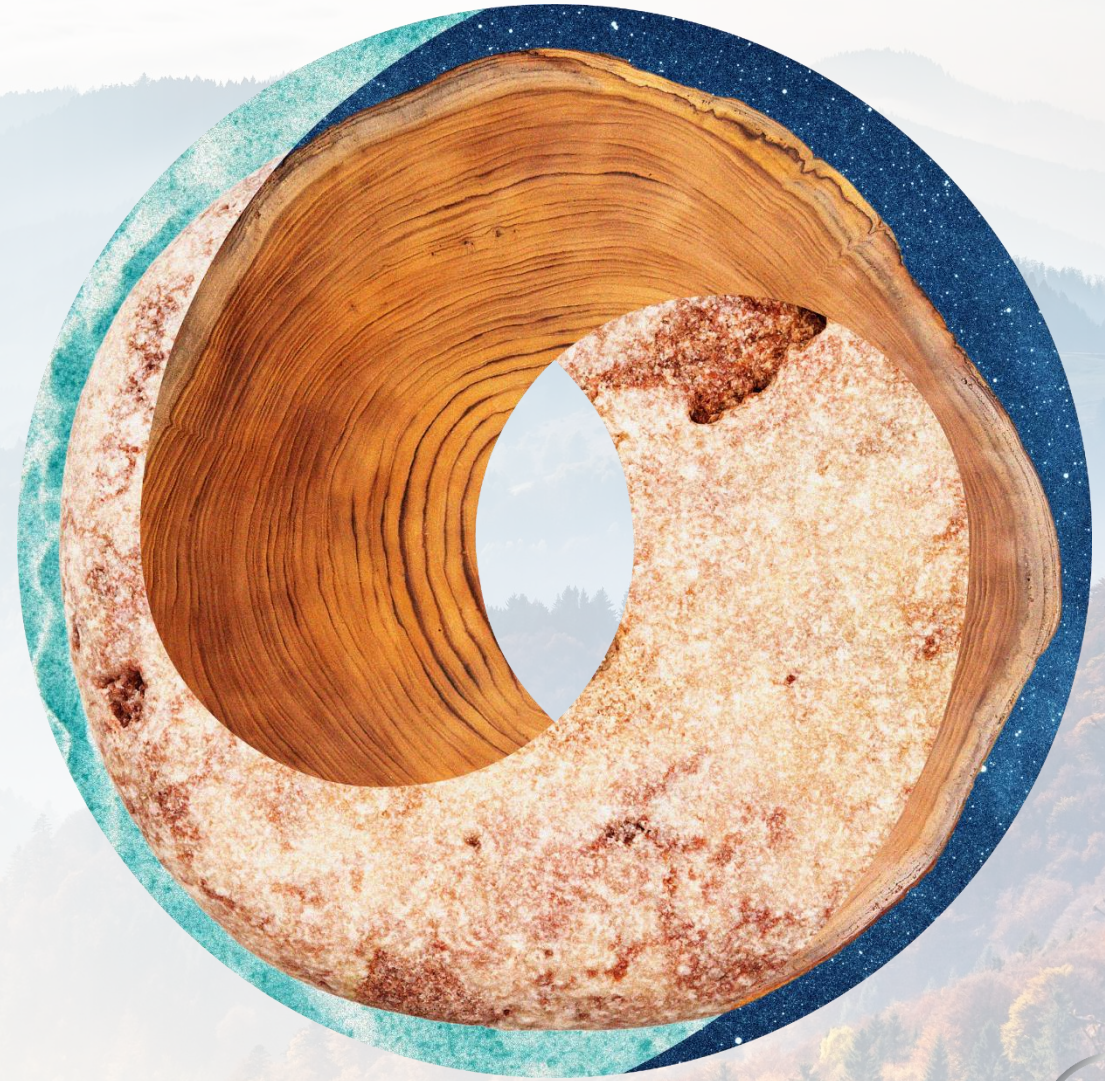




Deloitte 2024 CxO Sustainability Report

Belgium and Netherlands
insights



September 2024



Global findings summary (1 of 2)

[Deloitte's 2024 CxO Sustainability Report](#), surveying over 2,100 executives across 27 countries on their views and strategies related to sustainability and climate change, marks a potential sea change in what benefits and opportunities companies see from their actions and underscores the staying power of sustainability on the business agenda.

Contrary to some headlines, our survey indicates there is no retreat from sustainability action by businesses. Instead, there is a notable increase in investment in sustainability efforts, and early but important signs that climate action is driving value creation and moving to the heart of many companies' overall business strategies.

- Climate change continues to be one of the top three priorities for CxOs, surpassing political uncertainty, supply chain issues, and talent competition.
- Global CxOs are prioritizing and increasing investments in sustainability, with 85% reporting an increase in investments, up from 75% last year.
- CxOs anticipate that climate change will significantly impact their companies' strategies and operations over the next three years, with 70% expecting a high or very high impact, up from 61% last year. Nearly half (45%) say they are transforming their business model to address climate change and sustainability in a way that is central to the organization's strategy.

Companies are beginning to realize the business potential in the shift to a low-emissions economy. More CxOs are citing sustainability as a driver of new products, business models, and value creation overall, rather than a compliance or brand-building exercise.

- Executives see few trade-offs between business success and climate action. 92% of CxOs believe their company can grow while reducing greenhouse gas emissions, and 90% believe the world can achieve economic growth while reaching climate change goals.
- This year saw a shift toward seeing more direct environmental and business impact, including customer loyalty, supply chain efficiency, and operating margins, rather than less tangible benefits such as improved brand recognition and reputation.
- The most anticipated benefit CxOs expect to see over the next five years is in innovation around offerings and/or operations.



Global findings summary (2 of 2)

Climate action is an engine for innovation. While the need for innovation and technology investment might be seen as competing priorities to climate action, in reality, they are crucial drivers of sustainability efforts, enabling businesses to develop solutions that showcase the potential for new products and services that offer both environmental and business benefits.

- Innovation [(including Artificial Intelligence (AI))] ranks ahead of climate change as the number one most pressing challenge for CxOs over the next year, with 38% listing it in their top three.
- 50% of CxOs have already begun implementing technology solutions to help achieve climate or environmental goals, with another 42% expecting to undertake this work in the next two years. More than half of those who are already leveraging technology say they are using it to develop more sustainable products and services.
- Among leading organizations, 85% are developing new climate-friendly products or services, emphasizing the link between innovation and climate action.

Sustainability is an enduring part of the business agenda, but “holding the line” isn’t sufficient. The landscape of climate action among businesses is highly uneven. While leading companies are driving change inside and outside their organizations, an even greater number have taken few if any of the most impactful actions. As the world moves toward a net-zero economy, their “go-slow” approach risks leaving them at a competitive disadvantage.

- Despite recognizing the looming impact of climate change on their operations and strategy, there is still a significant portion (27%) of organizations that have taken minimal or no “needle-moving actions.”

The majority of companies that were surveyed are neither leaders nor laggards, but have a critical opportunity to drive broader and deeper action. This “moderate middle” group represents a sleeping giant; if it awakens, it could tip the balance of corporate climate action and drive rapid change.

- More than half of organizations (56%) are focusing on two to three needle-moving actions. Many of these organizations fall into two categories: those that are pursuing the business of sustainability—serving the emerging green economy—and those focused on becoming a sustainable business—addressing their own environmental footprint and influencing the broader ecosystem, from supply chains to society. They are well-positioned to build on their existing efforts and to scale-up for even greater impact.

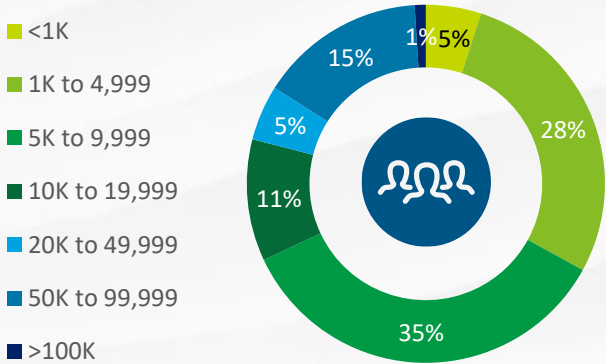
This report provides a view of the current climate action landscape among CxOs globally and explores the latent potential of that middle cohort: what actions they’re already taking, what barriers they face, and what lessons they can learn from leading companies that are modeling what a holistic approach to sustainability might look like to catalyze broader and deeper action within their organizations to unlock value.



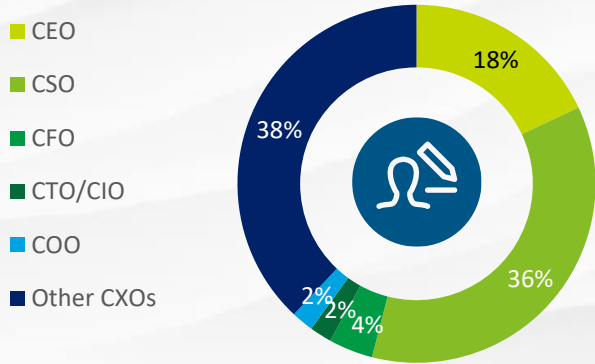
Belgium and Netherlands country business profile

85 executives were surveyed in Belgium (29) and Netherlands (56)

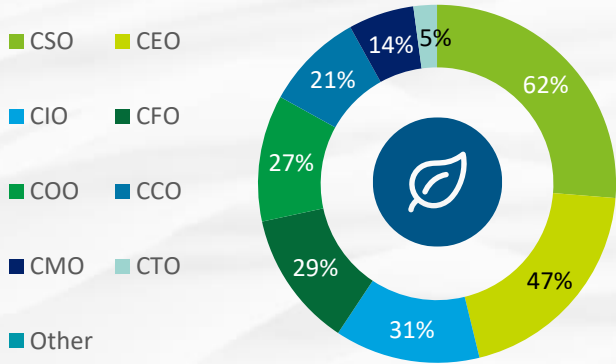
Number of employees



Job title



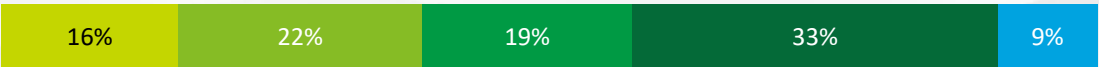
Position(s) at your company responsible for climate goals



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



Revenue (US\$)



\$500M to \$999M \$1B to \$1.99B \$2B to \$4.99B \$5B to \$9.99B >\$10B



Industry

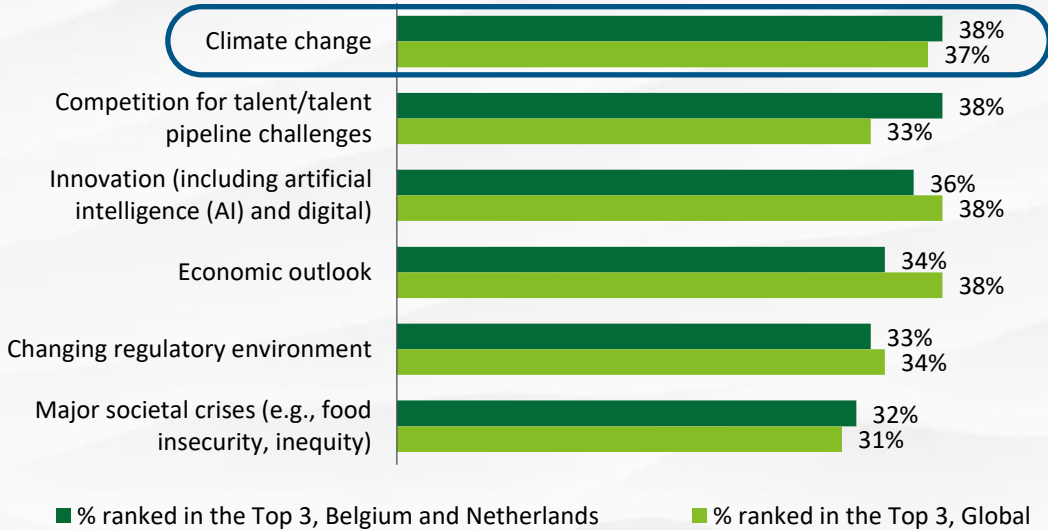


Consumer Energy, Resources & Industrials
Financial Services Life Sciences & Health Care
Technology, Media & Telecom

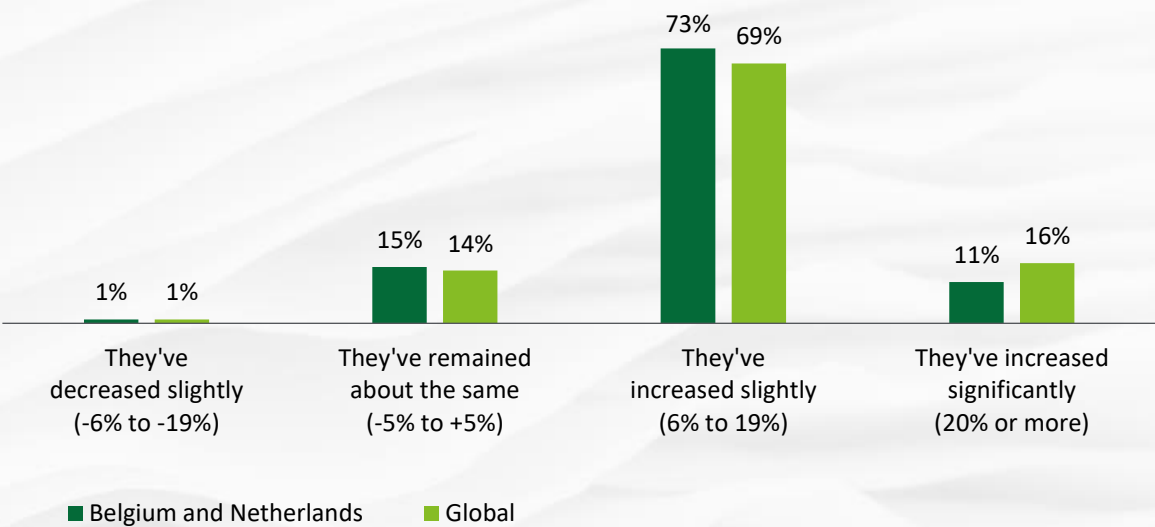
Climate remains a top priority despite many pressing issues



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



How have your sustainability investments changed over the last year?



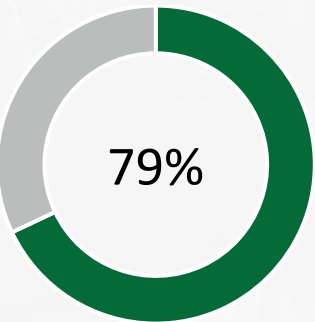
Climate change has become a leading priority for organizations in Belgium and the Netherlands, rising to the top of their agenda alongside issues like competition for talent and innovation.

- This trend mirrors global concerns, with organizations increasingly recognizing the urgent need to address climate issues amidst other pressing factors such as the economic outlook and regulatory changes.
- Over the past year, a substantial majority of organizations in the region have slightly increased their sustainability investments, underscoring a growing commitment to climate action. The alignment with global trends indicates that businesses in Belgium and the Netherlands are intensifying their focus on sustainability, similar to their international counterparts.

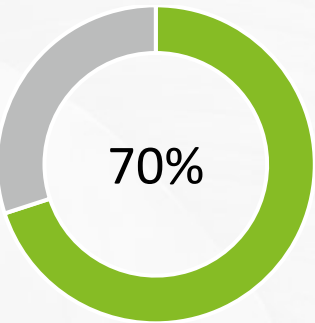
Climate change’s impact on strategies and operations is growing



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



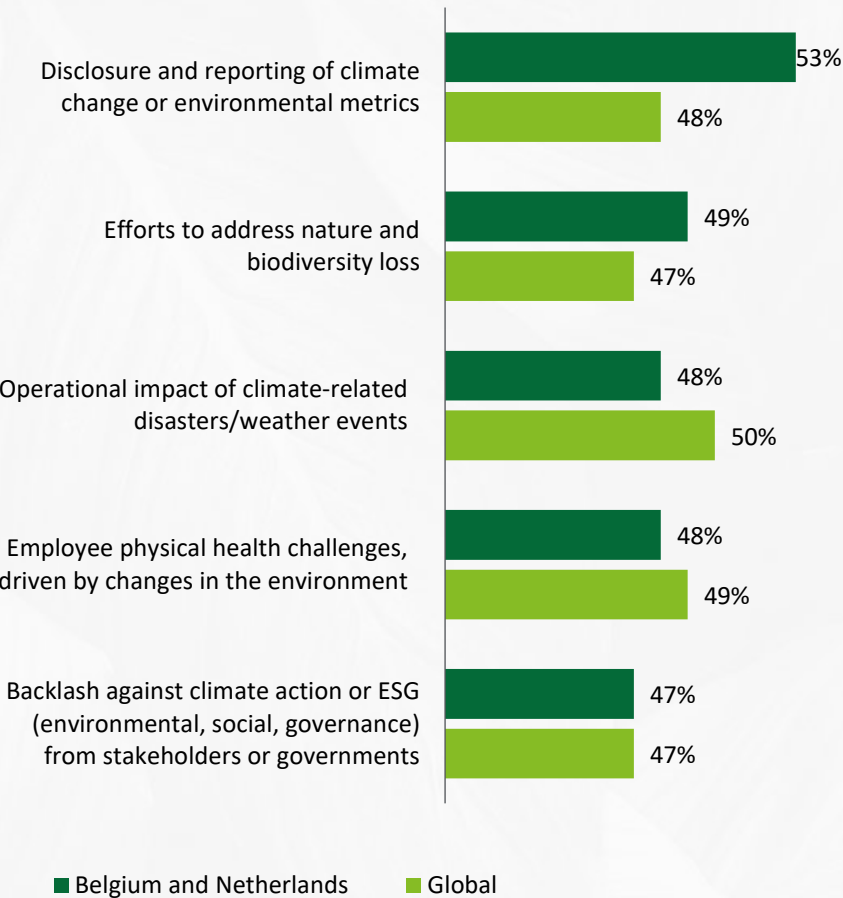
Belgium and Netherlands



Global



Top climate issues already impacting companies (Select all that apply)



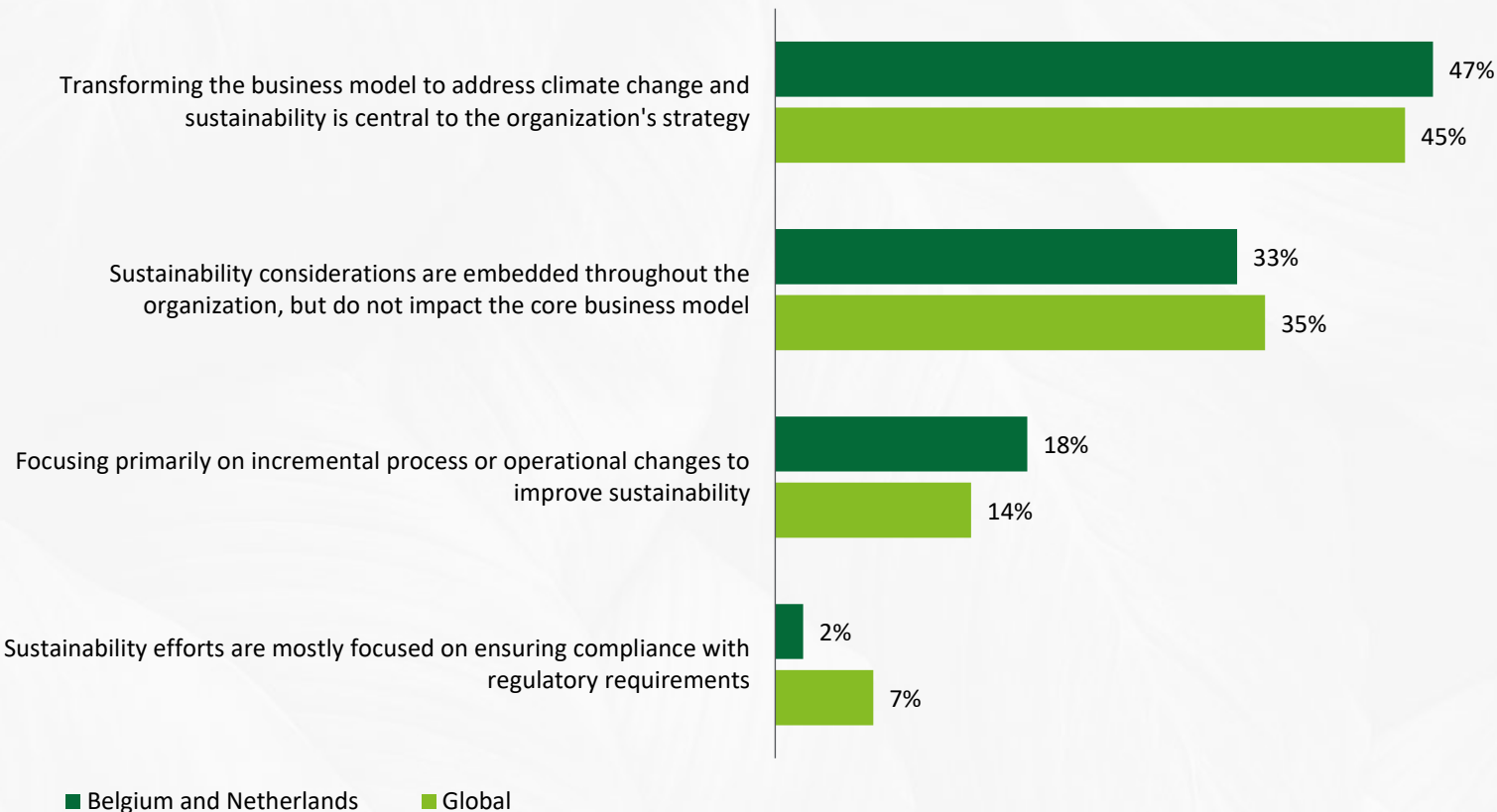
Belgium and the Netherlands are seeing a significant number of executives anticipating that climate change will have a high or very high impact on their organizations' strategies and operations over the next three years.

- Among the top concerns already impacting companies are the disclosure and reporting of environmental metrics, and efforts to address nature and biodiversity loss. These issues highlight the growing complexity of managing climate-related risks, as companies navigate both the physical impacts of climate change along with increasing expectations for transparency and action on sustainability.

Many organizations take comprehensive approaches to corporate sustainability



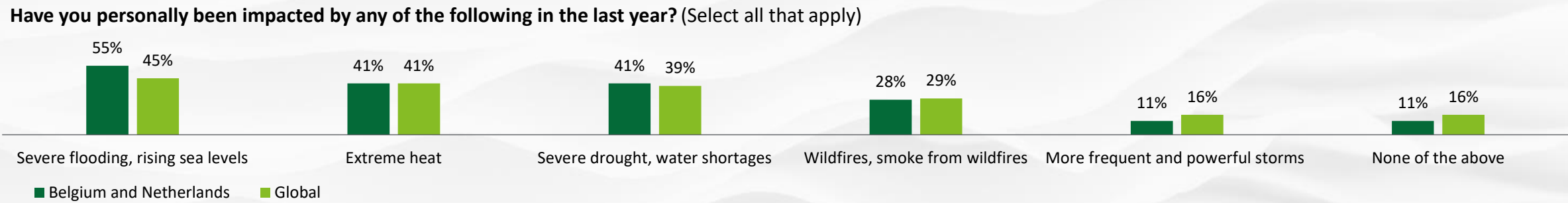
Which of the following statements best describes your company's current approach to environmental sustainability and climate change challenges? (Select one)



In the Belgium and Netherlands region, a significant portion of organizations are taking a comprehensive approach to sustainability, with nearly half transforming their business models to address climate change and embedding sustainability at the core of their strategies.

- This commitment aligns closely with global trends, where many organizations also prioritize sustainability, although a slightly higher percentage in Belgium and the Netherlands are focusing on deep, structural changes compared to global peers.

CxOs feel the impacts of climate change, yet are optimistic about the potential for effective action



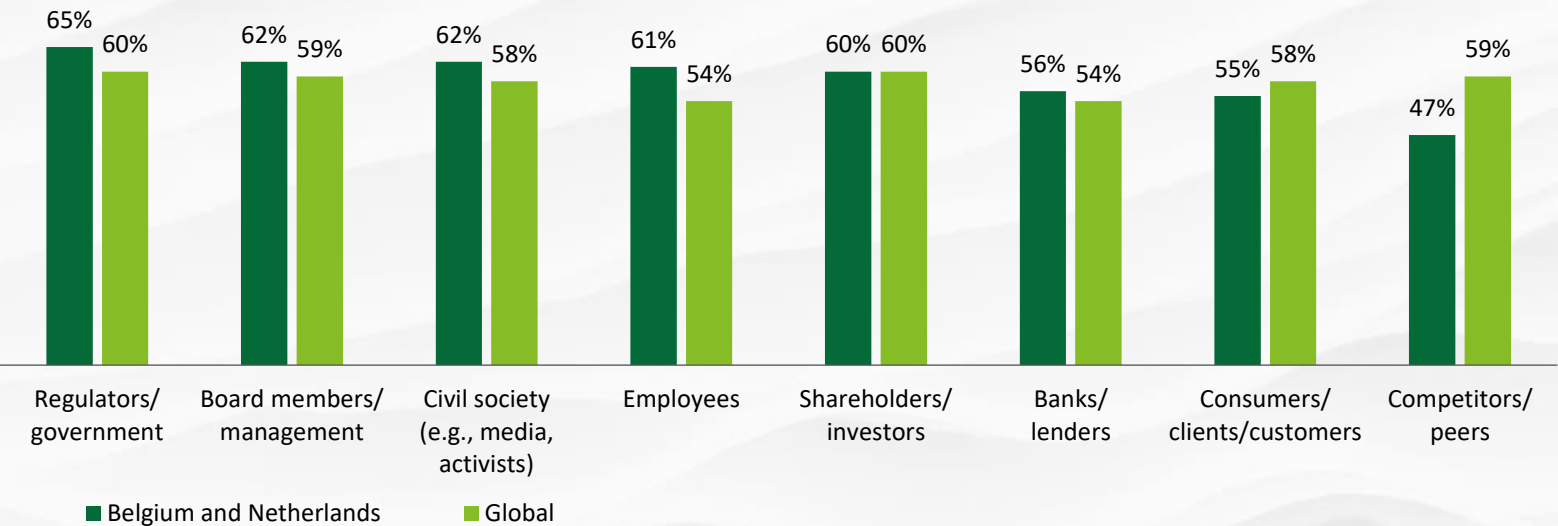
In the Belgium and Netherlands region, executives exhibit a strong concern about climate change, with a significant majority expressing concern all or most of the time, higher than the global average.

- There is also a high level of optimism that the world will take sufficient steps to avoid the worst impacts of climate change, and that global economic growth can be achieved while reaching climate goals.
- When it comes to personal impact, a notable portion of executives in this region have experienced severe flooding and rising sea levels, highlighting the tangible effects of climate change that may be driving this concern and optimism.

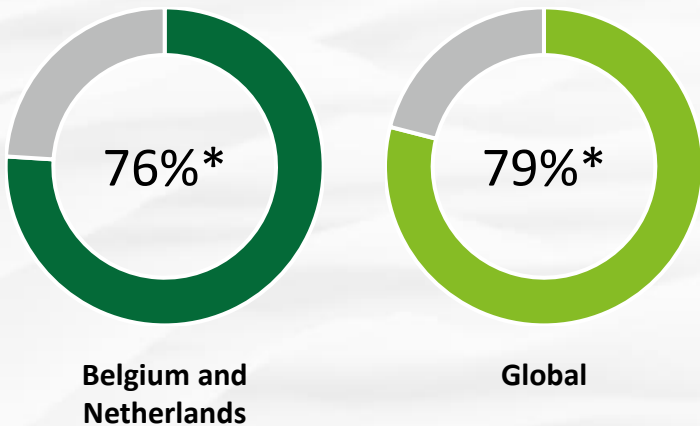
Companies feel broad pressure from stakeholder groups



Executives who feel pressure from the following stakeholders to act on climate change to a moderate/large extent



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



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

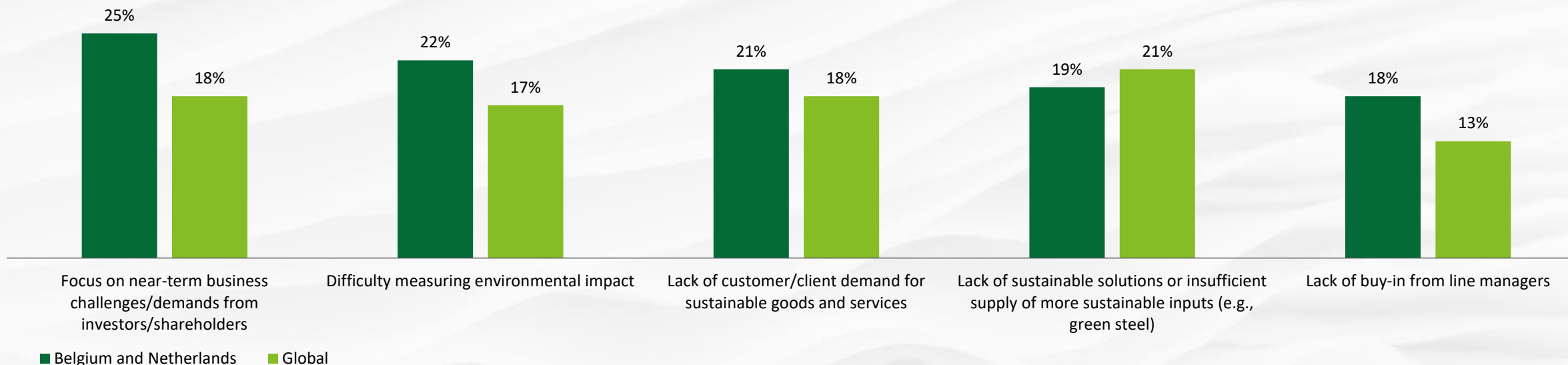
For organizations in Belgium and the Netherlands, pressure to act on climate change is broadly felt across various stakeholder groups, with regulators and government, board members, and civil society leading the charge.

- Employees and shareholders/investors also play a significant role in driving climate action, reflecting a comprehensive push from both internal and external parties.
- This pressure is fairly consistent with the global trend, where organizations similarly feel compelled to respond to stakeholder demands for increased climate action.
- The overall sense of pressure to act on climate change aligns closely with global averages, indicating that the region is in step with broader international concerns.

A varied set of barriers adds further complexity to addressing climate action



Top five obstacles cited to driving sustainability efforts



In Belgium and the Netherlands, a diverse set of barriers complicates the drive toward sustainability. Key challenges include the pressure to focus on immediate business concerns, difficulties in measuring environmental impact, and insufficient demand for sustainable products from customers.

- Additionally, the lack of available sustainable solutions or inputs, like green steel, and limited buy-in from line managers further hinder progress.
- These obstacles reflect a complex landscape where both market demands and internal organizational dynamics play critical roles in shaping sustainability efforts.

The benefits of climate action have diversified and moved beyond recognition and reputation



Greatest benefits of sustainability efforts

Top four benefits so far

42%

Investor returns
and/or addressing
expectations
Global = 34%

42%

Asset values (e.g.,
intellectual
property and
operating assets)
Global = 35%

42%

Addressing climate
change
Global = 39%

41%

Operating margins
(e.g., cost efficiency
and productivity)
Global = 37%

Top five benefits expected in the next five years

46%

Innovation around
offerings and/or
operations
Global = 38%

40%

Revenue from new
businesses (e.g.,
new offerings)
Global = 36%

40%

Supply chain and/or
resilience
Global = 36%

39%

Cost savings/lower
cost of capital
Global = 36%

39%

Asset values (e.g.,
intellectual
property and
operating assets)
Global = 35%

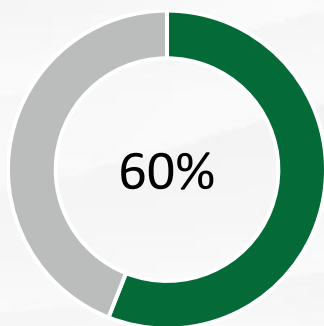
In Belgium and the Netherlands, organizations are seeing significant and diversified benefits from their sustainability efforts, extending beyond brand recognition and reputation.

- The most cited benefits so far include improved investor returns, increased asset values, and addressing climate change, each contributing to the overall resilience and productivity of businesses.
- Looking ahead, companies expect innovation, new revenue streams, and enhanced supply chain resilience to be the key advantages of continued climate action, highlighting a strategic alignment with global expectations but with a stronger emphasis on future growth opportunities.

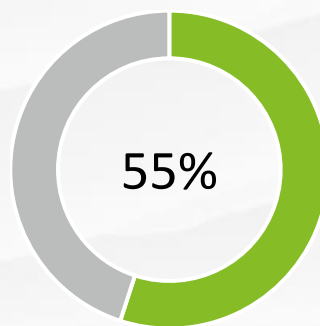
The importance of climate equity and a just transition in sustainability efforts continues to grow



Executives who say climate equity and ensuring a just transition are extremely important in their companies' sustainability efforts



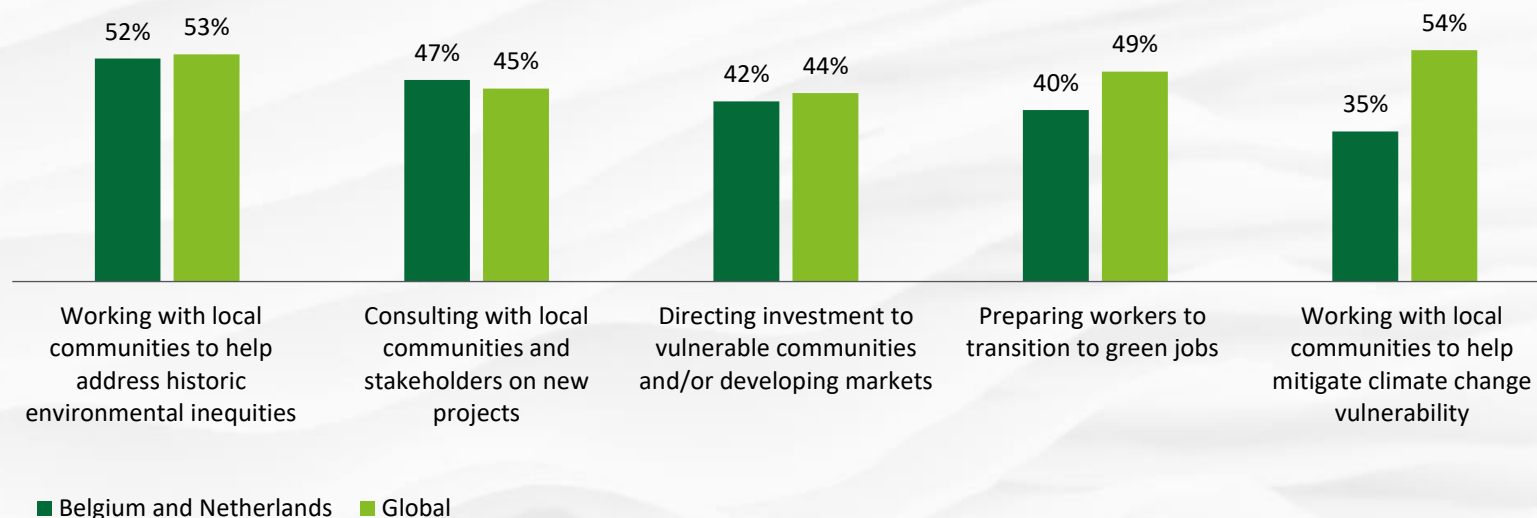
Belgium and Netherlands



Global



How is your organization factoring climate equity or ensuring a just transition into its sustainability efforts?



In Belgium and the Netherlands, the importance of climate equity and ensuring a just transition in sustainability efforts is increasingly recognized, with 60% of executives rating it as extremely important—higher than the global average.

- Companies in this region are particularly focused on addressing historic environmental inequities, working closely with local communities, and preparing workers for the transition to green jobs.
- These actions underscore a commitment to inclusive and equitable climate strategies that resonate with broader global trends, reflecting a deeper integration of social justice into environmental sustainability efforts.

Organizations are implementing a range of sustainability actions to meet environmental goals

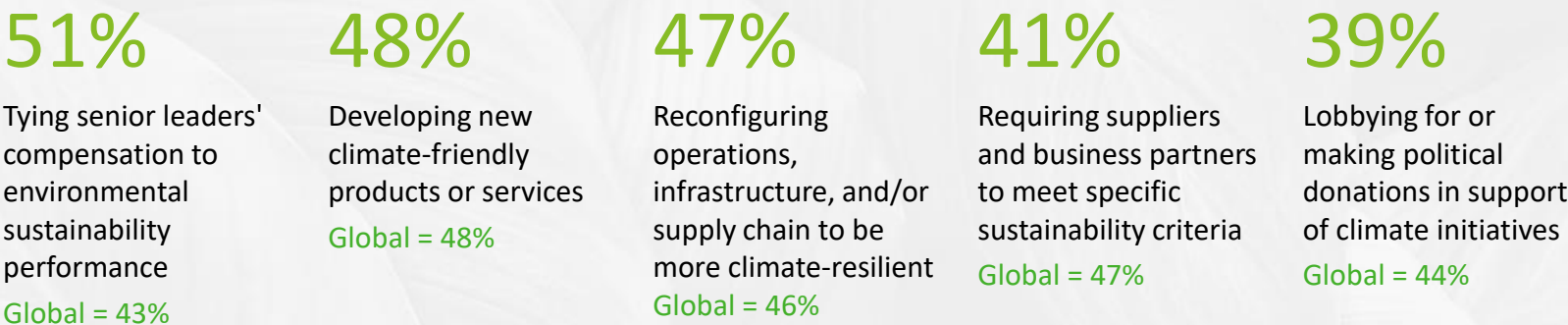


Which of the following actions/adaptations has your company already undertaken as part of its sustainability efforts? (Select all that apply)

Top actions taken



Harder-to-implement, needle-moving actions*



* As defined by Deloitte Global analysis

Organizations in Belgium and the Netherlands are actively pursuing a range of sustainability actions to meet environmental goals, with a notable emphasis on tying senior leaders' compensation to environmental sustainability performance, reflecting a strong commitment at the highest levels of leadership.

- Additionally, these organizations are focusing on developing new climate-friendly products and reconfiguring operations to enhance climate resilience, aligning closely with global trends.
- These efforts highlight a comprehensive approach to integrating sustainability into core business strategies, demonstrating a proactive stance in addressing environmental challenges.

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