



## The Next Era of Sustainability Leadership: CEO Survey Shows the Business Case is Now

*Posted by Sam Eastwood, James Ford, and Elinam Amegadzie, Mayer Brown, on Tuesday, October 21, 2025*

**Editor’s note:** Sam Eastwood is a Partner, James Ford is an Associate, and Elinam Amegadzie is a Trainee Solicitor at Mayer Brown LLP. This post is based on their Mayer Brown memorandum.

Sustainability has undergone a profound transformation over the past two decades. What began as a moral movement—rooted in reputation management and risk mitigation—has increasingly become a strategic business imperative. The latest annual report published by the UN Global Compact and Accenture [\[1\]](#) underlines how the business case for sustainability leadership to be at the core of a company’s strategy is stronger than ever. The report highlights the acceleration and complexity of global sustainability regulations, draws on the insights of nearly 2,000 CEOs across 128 countries, and outlines some of the compliance challenges presented by regulatory fragmentation.

Among other things, the report finds that 86% of CEOs are reporting steps to integrate sustainability into their business and that 88% believe the business case for sustainability is stronger than it was five years ago. Yet, only half feel comfortable communicating their progress publicly, reflecting a tension derived from external stakeholder scrutiny, the politicisation of ESG issues, and recent pushback against the EU’s sustainability legislative agenda. Notwithstanding these obstacles, 99% of CEOs intend to maintain or expand their commitments going forwards. Indeed, the report sets out five critical themes for CEOs and businesses to consider implementing to drive forward the next era of sustainability leadership.

### **From Aspiration to Expectation: The Evolution in Leadership Mindset**

The report traces the evolution of sustainability from a peripheral concern to a central pillar of business strategy. Early efforts focused on reputational risk and compliance, but the adoption of frameworks like the UN Sustainable Development Goals (SDGs) and the Science Based Targets initiative (SBTi) has driven a deeper integration of sustainability into business operations. In 2010, sustainability was primarily viewed as a moral imperative and treated as a side initiative. The sustainability focus was mainly on environmental issues and basic human rights. In 2025, sustainability is now embedding in core business strategy. The landscape has broadened to include climate change, inequality, biodiversity, and social justice – reflecting a holistic approach towards sustainability.

According to the report, 86% of CEOs report that sustainability is embedding in their core operations, and 66% believe the private sector can drive significant progress by linking sustainability to strategy and executive compensation. This shift is not just about environmental stewardship. CEOs increasingly recognise that social issues – such as human rights, diversity, and community impact – are inseparable from environmental goals. According to one CEO, “A climate crisis is a human rights crisis.” The interconnectedness of these challenges demands a holistic approach, where business value and societal impact are aligned.

### **Five Keys for the Next Era of Sustainable Leadership**

The report identifies five critical priorities for business leaders to unlock the next era of sustainability leadership:

1. **Collaboration on Regulation:** Proactive engagement with policymakers and industry peers is essential to shape coherent, global regulatory frameworks. Strong ESG governance, clear ownership of data integrity, and participation in multi-stakeholder forums can help companies stay ahead of evolving requirements and build trust with investors and regulators. The report found that 92% of CEOs believe that strong global governance and unified policy is “critical” or “important” for the sustainability agenda. In particular, one CEO said, “In this new age of collaboration, it is important to have governmental and NGO support promoting and implementing innovative solutions for capital building, technology innovation and workforce upskilling.”
2. **Harnessing Consumer Demand:** Consumer expectations are a primary driver of sustainability strategy. Companies must embed sustainability into product design, pricing, and partnerships, responding to growing demand for ethical, high-performance, and circular products. Value chain collaboration is key to delivering on these expectations. One CEO said, “For customers who care, they continue to care—even if they’re more hesitant to talk about it now. We haven’t seen major shifts in customer behaviour. Making the right choice isn’t controversial.”
3. **Expanding Access to Technology:** Innovation and digital tools—such as AI-powered analytics and blockchain-enabled supply chain tracking—are critical enablers of sustainability governance. However, access to these technologies must be democratised to ensure inclusive progress, especially in emerging markets. Investment in local innovators and flexible, scalable solutions will accelerate impact. One CEO said, “We are working with customers and partners to achieve technological innovation and reduce their environmental impact throughout the entire supply chain.”
4. **Upskilling for the Future:** The workforce of tomorrow requires new skills in digital fluency, systems thinking, and adaptability. Upskilling and reskilling programmes,

anchored in human rights and decent work, are essential to drive innovation and ensure a just transition. Diversity, well-being, and purpose must be at the heart of talent strategies. One CEO said, “Diversity and well-being should be prioritised—people want this, especially the new generation.”

5. **Leading with Credibility and Purpose:** Authentic, transparent communication is vital to building trust and driving change. CEOs must anchor sustainability in business fundamentals—risk management, regulatory readiness, and ROI—while engaging employees, investors, and communities in an ongoing dialogue. Leadership is about action, not just ambition. The report found that 52% of CEOs will expand climate-related environmental commitments and 53% will increase social commitments. One CEO said, “[We] report [on] sustainability as seriously as when reporting financial performance—because it is a critical performance indicator.”

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The report sets out themes that companies and their CEOs can place at the heart of their sustainability strategies going forwards. We previously published blogs on [what investors expect of boards in relation to business and human rights](#) and [how boards can be better equipped to address emerging human rights risks](#). As companies develop, review and enhance their existing sustainability and human rights programmes, they should look to incorporate considerations highlighted by the report. More broadly, in line with best practice, companies may wish to apply the below strategies to improve their sustainability and human rights risk management strategies:

1. Ensuring that they have processes in place at a board level to translate human rights-related commitments into positive action;
2. Closely monitoring legislative developments relating to mandatory human rights and environmental due diligence (“HREDD”) obligations;
3. Integrating meaningful stakeholder engagement in all steps of their HREDD process;
4. Carrying out a human rights impact assessment and taking proportionate counter-measures, as well as communicating internally and externally on what measures have already been taken;
5. Reviewing and reinforcing complaints mechanisms and speak-up programmes, and ensuring they are well-equipped to deal with human rights-related “crises”;
6. Reviewing the extent to which their board is equipped to address supply chain risks, including through training executives and seeking independent support and advice; and
7. Reviewing the role, resources and expertise of the legal and compliance functions, who should play a key part in addressing these new challenges.

Mayer Brown lawyers are available to help clients in this increasingly complex and evolving regulatory landscape.

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Turning the Key: Unlocking the Next Era of Sustainability Leadership, UN Global Compact-Accenture 2025 CEO Study, September 2025, available at: <https://www.accenture.com/content/dam/accenture/final/accenture-com/document-4/2025-UNGC-CEO-Study-Digital.pdf>(go back)