

An aerial photograph showing a winding asphalt road on the left, a dense green forest in the middle, and a rocky coastline with turquoise water on the right. A red car is visible on the road.

# State of Sustainability

November 2024



Shape the future  
with confidence



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# Introduction

At the intersection of profitability and responsibility, sustainability stands as the defining business challenge and opportunity of our generation, shaping a legacy that will determine the future of our planet.

The EY State of Sustainability 2024 shows a changing landscape, where customer demand, investor scrutiny, and regulatory frameworks are redefining corporate success. This report, based on a survey of 200 sustainability decision-makers in Ireland, highlights the motivations and strategies driving organisations toward a greener and more responsible future.

This year's research paints a picture of a business community that has reached a tipping point when it comes to sustainability, and finally we can see significant changes in both behaviour and sentiment. This points towards real change following a period of relative inertia since the initial research was conducted in 2021. More than eight in 10 report a substantial increase in focus on sustainability within their organisations over the last year, a significant shift from the last time we conducted this survey in 2022.

The benefits of sustainability on financial performance are becoming clearer, and this link between sustainability and profitability is influencing corporate strategies, including mergers and acquisitions viewed through a sustainability lens.

As the Corporate Sustainability Reporting Directive (CSRD) comes into effect it is also clear that sustainability and valuation creation are natural bed fellows that can create enduring value for companies as the era of integrated reporting dawns.



**Derarca Dennis**

EY Ireland Partner and  
Sustainability Services Lead



# Exec summary

## Increased Focus on Sustainability

- § 81% report increased sustainability focus in the past year, up 19% from 2022.

## Progress in Sustainability Efforts

- § 74% rate sustainability efforts as 'established or better,' up from 61% in 2022.
- § 15% rate sustainability efforts as 'industry leading,' doubling from 7% in 2022.
- § 35% feel their organisation is not doing enough, up from 17% in 2022.

## Key Motivations for Sustainability

- § Increased stakeholder interest.
  - § 65% report increased stakeholder enquiries about sustainability impact, up from 49% in 2022.
- § Access to capital.
  - § 58% say that demonstrating a greater commitment to sustainability is necessary for access to capital.
- § Mergers and Acquisitions.
  - § 30% say they are increasingly assessing the sustainability status of target companies.

## Regulatory Matters

- § EU Emissions Trading System cited by 65% as a leading concern
- § Corporate Sustainability Due Diligence Directive (CSDDD) is a concern for 62%
- § 52% said they are either very prepared or have established reporting practices in place to meet CSRD reporting obligations

## Supply Chain Responsibility

Engagement with supply chain suppliers on ESG reporting varies:

- § 26% have not engaged at all.
- § 14% say their organisations have established ESG reporting across the value chain.
- § 50% have technology solutions in place to gather information from the supply chain for compliance purposes.

Section 1:

# Organisational focus on sustainable practices

% agree	2024	2022
There has been a significant increase in focus on sustainability in our business in the last year	81%	62%

Sustainability efforts have very clearly intensified since the last survey was conducted in 2022, with 81% of respondents reporting a heightened focus on sustainability over the past year, a remarkable 19-percentage point increase from 2022.

74% of respondents rate their efforts on sustainability as 'established or better', a rise from 61% in 2022, and 15% consider their efforts 'industry leading', doubling from 7% in 2022.

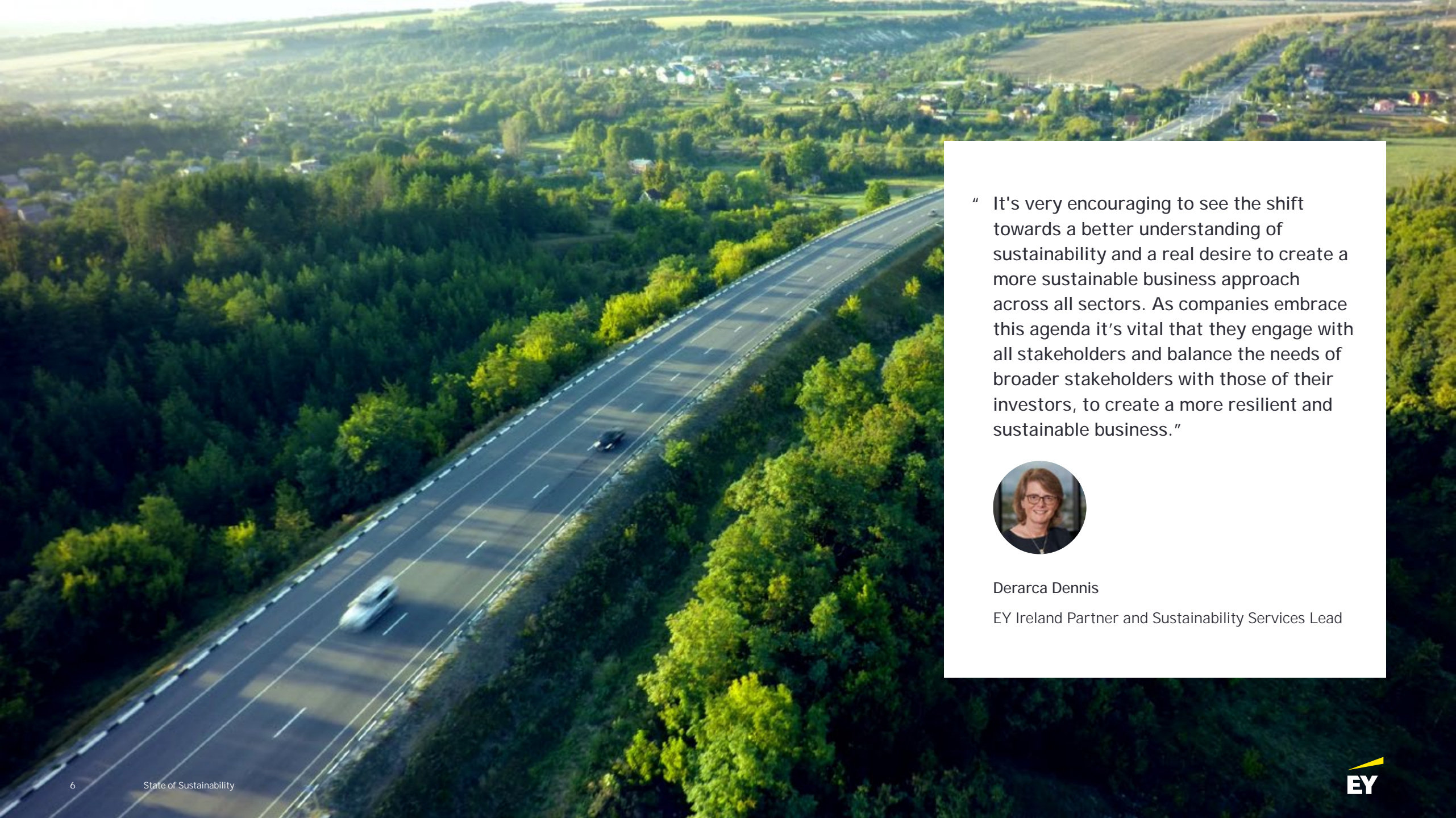
These findings suggest a commitment to sustainability, with a recognition of the need for further action. 35% of respondents feel their organisation is not doing enough, a notable rise from 17% in 2022.

The data also shows a proactive stance against complacency. 31% believe their organisation is not taking sustainability seriously enough, up from 14% in 2022, suggesting we can expect further progress in this area going forward.



## Greenwashing concerns

Awareness of the negative impact of misleading sustainability claims is growing. 35% of respondents indicate that fear of greenwashing influences their communication strategies, a significant increase from 13% in 2022. This care suggests a recognition of the reputational risks of greenwashing and the importance of sustainability to customers.



“ It’s very encouraging to see the shift towards a better understanding of sustainability and a real desire to create a more sustainable business approach across all sectors. As companies embrace this agenda it’s vital that they engage with all stakeholders and balance the needs of broader stakeholders with those of their investors, to create a more resilient and sustainable business.”



Derarca Dennis

EY Ireland Partner and Sustainability Services Lead

## Section 2:

# Demand and motivators for sustainable business

Heightened demand for sustainable products and services, increased investor interest, regulatory growth, and perceived bottom-line benefits are the driving force behind sustainability in organisations.

### Customer demand

This year's EY State of Sustainability study highlights the growing importance of sustainability to customers. In 2022, 54% of respondents felt sustainability was 'extremely important' to customers; now, 64% share this view.

The 10-point increase in two years reflects both the rising consumer demand for sustainable products and practices and a change in market dynamics, with sustainability becoming a key purchasing factor for businesses. Businesses are adapting their offerings to meet evolving sustainability expectations now and into the future.

% Agree	2024	2022	2021
Stakeholders are increasingly enquiring about our sustainability impacts as an organisation	65%	49%	48%
My company's sustainability efforts to date have positively impacted our bottom line	54%	40%	44%
To get access to capital/finance I need to be able to demonstrate that my business is more sustainable	58%	n/a	n/a
We are increasingly assessing the sustainability status of companies for merger or acquisition	30%	n/a	n/a
We are looking to improve our position on sustainability by merging with or acquiring another company	36%	n/a	n/a
Once my business is compliant with Irish gov and EU related sustainability standards I am confident that my business has done enough from a sustainability perspective	66%	43%	53%

## Stakeholder enquiries, financing and M&A

The rise in wider stakeholder enquiries about sustainability impact over the past two years has, if anything, been even more striking. In 2024, 65% of businesses reported such enquiries, up from 49% in 2022. Furthermore, 58% believe demonstrating greater sustainability is necessary for them to get access to capital.

There are interesting findings in relation to M&A activity and sustainability. 36% of businesses are looking to improve their position on sustainability by merging with or acquiring another company. This could involve acquiring new technologies or more sustainable product lines.

On the other hand, 30% of respondents indicated that they are increasingly assessing the sustainability status of target companies when considering a merger or acquisition.

**“ Recent deal flows have featured ESG due diligence to some degree, but conversations with clients reveal an uptick in its consideration. The M&A landscape is thus gradually adapting to prioritise ESG factors, reflecting an overarching trend towards embedding sustainability into the strategic fabric of business operations.”**



**Aziz Ahmed**  
EY Ireland Partner, Strategy and Transactions

On the M&A front, the impending CSRD regulations are compelling organisations to assess the ESG performance of potential M&A targets, ensuring alignment with their own sustainability and net-zero objectives. This is particularly critical in inherently higher-risk sectors, such as energy and utilities, transportation and pharmaceuticals.

In the realm of debt financing, the surge in ESG-linked debt products has waned since its peak in 2022, a trend likely tied to the current market's prioritisation of securing immediate liquidity over the establishment of comprehensive sustainability strategies.

This shift suggests that entities with advanced sustainability frameworks have already capitalised on ESG-linked debt opportunities, leaving others still grappling with setting concrete sustainable performance goals. Nevertheless, the allure of ESG-linked debt remains and is bolstered by intensifying scrutiny from stakeholders and the evolving regulatory landscape which are pushing lenders towards ESG-compliant practices.



## Compliance

A very interesting finding is that two-thirds (66%) of businesses believe that once they are compliant with Irish Government and EU sustainability standards, they have done enough from a sustainability perspective. This represents an increase from 43% in 2022.

This could be seen in a negative light in that organisations are ‘just’ aiming for compliance; however, that would be to ignore the fact that there has been a significant increase in the level of sustainability regulation. Two years ago, businesses knew there was more to come and that compliance with existing regulations was unlikely to suffice for long. This is no longer the case with regulations like CSRD already in place, while the CSDDD and other upcoming regulatory requirements are also quickly coming down the track, which we will cover in Section 3.

Businesses understand the importance of adhering to sustainability legal and regulatory frameworks and the finding reflects the growing impact of regulatory pressures on organisational behaviour. However, meeting or exceeding legislative requirements is not just about avoiding penalties but also about seizing opportunities for sustainable growth and innovation.

These findings highlight the intertwined nature of financial viability, customer centricity and regulatory compliance in driving sustainability efforts within organisations and demonstrate in stark terms the need for a strategic approach that balances all considerations to achieve resilient businesses.

“ Regulatory compliance is just one aspect of sustainability performance. Businesses need to continue to pursue sustainability initiatives if they are to grow and create long term sustainable value in a rapidly evolving market.”



Derarca Dennis

EY Ireland Partner and Sustainability Services Lead

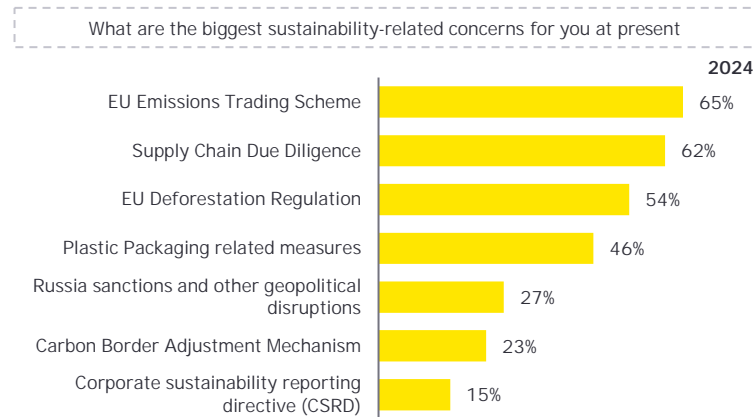
## Section 3:

# Regulatory concerns

Negotiating a path through existing and increasingly complex new EU regulations are the leading sustainability-related concerns for organisations. Negotiating a path through existing and new, increasingly complex, EU regulations. The EU Emissions Trading System was cited as a cause for concern by almost two-thirds (65%). This is likely related to recent revisions to the scheme which further reduced the emission caps on different industries with a new target of bringing emissions down by 62% by 2030 compared to 2005 levels.

That, and other changes, will increase pressure on businesses based in Europe to reduce emissions and make it more expensive for them to purchase emissions allowances.

Another major cause for concern is supply chain due diligence, likely driven by the Corporate Sustainability Due Diligence Directive, named by 62%. The Directive will oblige companies within its scope to monitor their value chains to identify and mitigate adverse human rights and environmental impacts.



It will take effect progressively from July 2027 when companies with an average of 5,000 employees and €1.5 billion in annual turnover will need to comply.

Even though the Directive has been watered down somewhat since first proposed, the requirement to reach far into supply chains to assess human rights behaviours and environmental impacts is quite a daunting prospect for many organisations.

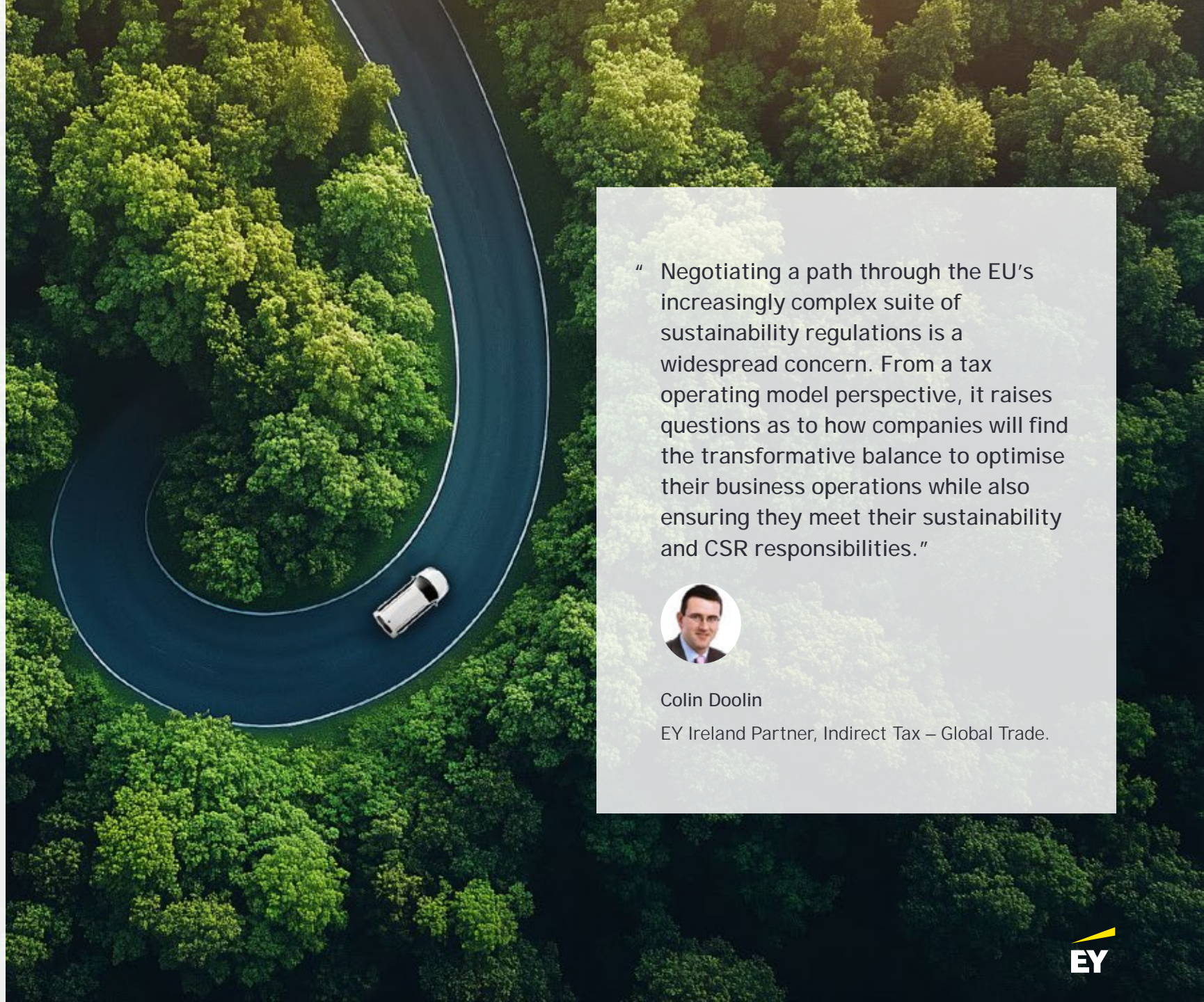
More than half (54%) of respondents expressed anxiety in relation to the EU Deforestation Regulation, which has far-reaching implications for what can and cannot be produced or sold within the EU. Under the Regulation, any operator or trader who places certain commodities on the EU market, or exports from it, must be able to prove that the products do not originate from recently deforested land or have contributed to forest degradation. The Regulation came into effect at the end of June 2023 and businesses have until the end of December 2025 to implement the new rules.

Plastic packaging-related measures were cited by 46% of respondents. This relates to the Packaging & Packaging Waste Regulation (PPWR) which has been described as revolutionary and potentially transformative by many commentators. The new Regulation is significantly wider in scope than its predecessor and includes new rules on over-packaging, recyclability, minimum levels of recycled content for plastics in packaging, composability, and reusability.

In addition, outright bans on a wide range of plastic packaging will be introduced, including packaging for protecting fresh fruit and vegetables. This Regulation, which will come into force progressively between 2025 and 2030 and possibly beyond, will present significant challenges to businesses across all sectors.

The Carbon Border Adjustment Mechanism (CBAM), which was introduced under the Emissions Trading System, is a cause for concern for 23% of organisations. It is aimed at preventing carbon leakage by preventing businesses gaining a competitive advantage by shifting production of certain carbon intensive goods to countries outside the EU. This will be achieved by imposing a carbon price on those goods. This will almost certainly drive up supply chain costs for many businesses.

The regulation of least concern is the CSRD, cited by just 15% of organisations. This tallies with the high level of preparedness for CSRD compliance noted elsewhere in this report.



“ Negotiating a path through the EU’s increasingly complex suite of sustainability regulations is a widespread concern. From a tax operating model perspective, it raises questions as to how companies will find the transformative balance to optimise their business operations while also ensuring they meet their sustainability and CSR responsibilities.”



Colin Doolin

EY Ireland Partner, Indirect Tax – Global Trade.

## Section 4:

# Preparedness for sustainability reporting

Most organisations believe they are prepared to meet their upcoming Corporate Sustainability Reporting Directive (CSRD) and International Sustainability Standards Board (ISSB) reporting obligations. 52% said they are either very prepared or have established reporting practices in place. 38% said they are at a basic or slightly better level.

However, 10% said their organisations are not prepared at all. Given that the CSRD has been in force since January 2024 and the first cohort of organisations will have to report 2024 data in 2025, this is significant.

More encouraging is the fact that 57% of organisations have sustainability reporting aligned to recognised frameworks and standards. In addition, 58% have engaged a third party to provide assurance of sustainability reporting.

Interestingly, quite a low number of organisations (14%) cited CSRD reporting requirements as a key factor driving sustainability efforts. This could indicate that the sustainability efforts required for compliance with the Directive have already been undertaken in the majority of cases.

### Technology

There is evidence of a growing use of technology solutions to support sustainability performance measurement and reporting. 48% of respondents have systems in place to record and manage sustainability data and 35% have a system for greenhouse gas calculations.

A cause for concern, given the high volume of data required for ESG reporting, is that just 27% of respondents said their organisation has a system to support mandatory and voluntary ESG reporting.

“ CSRD and ISSB reporting are more than just compliance exercises, they are of key importance in measuring an organisation’s sustainability performance and will be used by customers, investors and other stakeholders when making investment and other decisions. They are also key to unlocking the benefits of enhanced sustainability. Organisations who are not yet ready to meet their reporting obligations will need to accelerate their preparations as a matter of urgency.”



Emer Keaveny

EY Ireland Assurance Partner

“ This highlights a critical need for investment in both human capital and technological infrastructure to accelerate sustainable transformation. Inadequate ESG data quality and collection methods lead to assumptions in decision-making. The sheer volume of ESG data, its dispersion across multiple sources, and manual collection processes increase costs and reduce data quality. Current annual reporting practices do not provide the frequent data updates necessary for managing decarbonisation effectively. At EY, we're helping clients not only achieve compliance but also implement solutions that support data-driven decision making and leverage data to gain a competitive edge. ”



Dave O'Shaughnessy

EY Ireland Partner and Sustainability Reporting –  
Technology Lead

## Section 5:

# Engagement with supply chain on ESG reporting

Sustainability regulation is designed to help all organisations to become progressively more sustainable by making them responsible not only for their own impacts but also for those of their supply chains. Organisations in scope of the CSRD must report on the Scope 3 emissions arising in their value chains while the Corporate Sustainability Due Diligence Directive will increase their ESG obligations still further.

It is unsurprising, therefore, that 62% of respondents cite supply chain due diligence is their biggest sustainability-related concern. This reflects several complex issues and trends in today's business landscape.

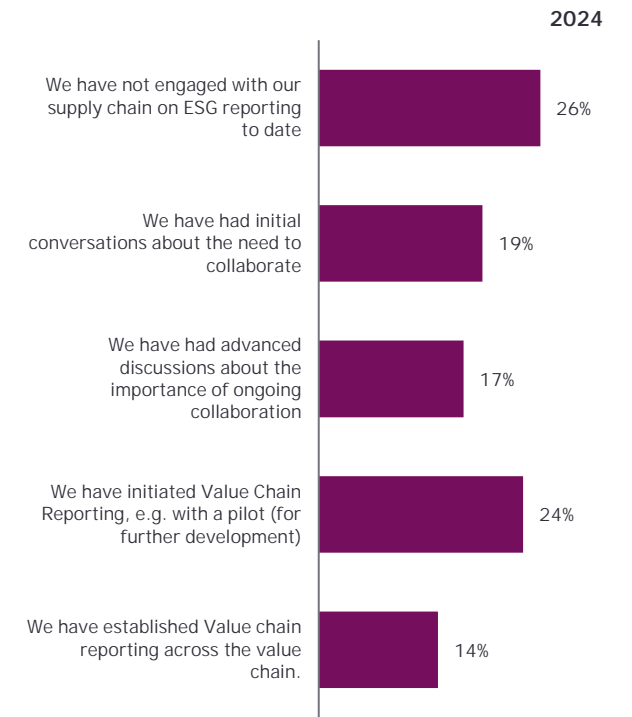
Against this backdrop, it is encouraging to find an increased level of engagement in relation to environmental, social and economic impacts and dependencies of suppliers. In 2022, 52% of respondents reported that their organisation actively looks at these factors in a meaningful way. That proportion rose to 62% this year.

Turning to the actual levels of engagement with supply chains on ESG reporting reported by organisation, there is a wide variation.

At one end of the spectrum, 26% of businesses have not engaged with their supply chain on ESG reporting at all to

date, while 19% of businesses have had initial conversations about the need to collaborate on ESG matters.

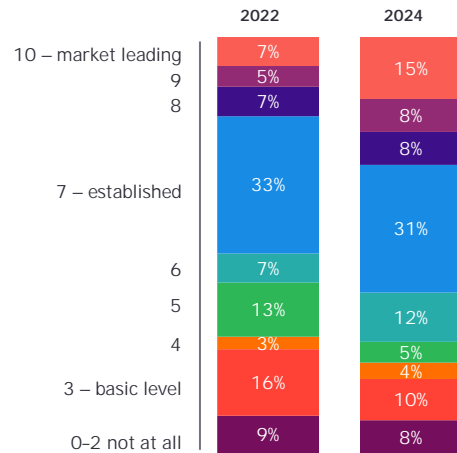
A slightly lower percentage, 17%, have had advanced discussions about the importance of ongoing collaboration, which points to a more proactive and in-depth engagement with ESG issues within the supply chain. A significant number of businesses are moving towards practical implementation, with 24% having initiated value chain reporting, such as through a pilot project, which is aimed at further development and integration of ESG reporting.



Finally, 14% of respondents say their organisations have established ESG reporting across the value chain. This demonstrates a more mature approach to ESG reporting and indicates that these businesses have integrated ESG considerations more fully into their operations and supply chain management.

It is not surprising to find that organisations are at different points on their engagement journeys with suppliers. However, it is more than a little concerning to find that almost half of them have either had no engagement whatsoever or are only at the initial discussion stage. Those organisations could face significant challenges in meeting their reporting obligations as well as in achieving their own sustainability goals.

To what level would you say your organisation looks at the environmental, social, and economic impacts and dependencies of its suppliers?



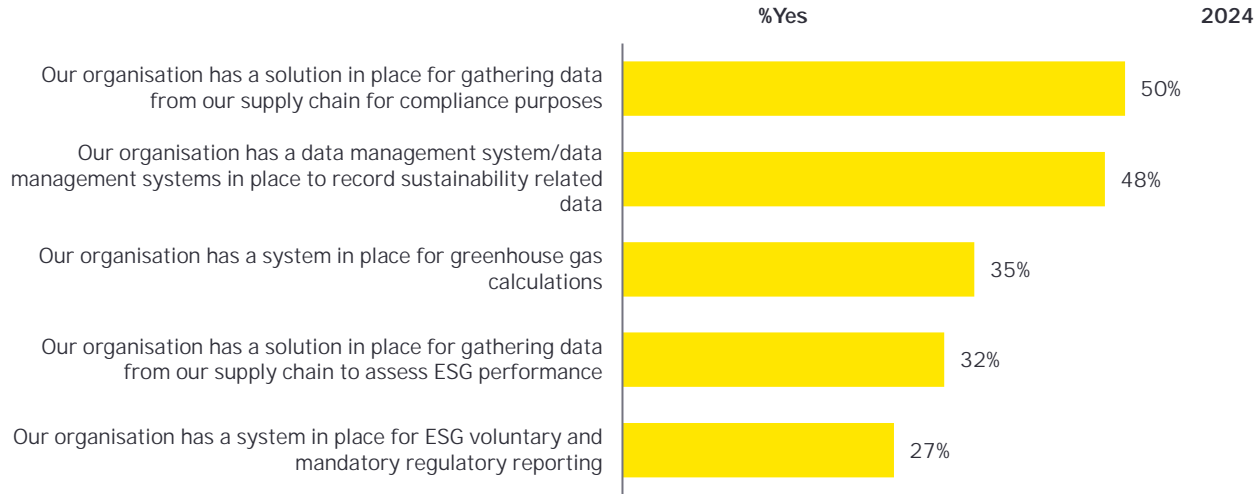
“ It is alarming that more than a quarter of the respondents have not engaged with their supply chain on ESG reporting to date. Given the growing demands of regulators, investors and consumers for sustainable supply chains, organisations that have not started engaging and collaborating with their supply chains run the risk of being left behind. We need to continue to see the needle moving from left to right to more organisations having advanced discussions with suppliers and putting pilot programmes and sustainability reporting systems in place.”



Ronan Guest  
EY Ireland Business Consulting Partner

## Technology

Q18b Thinking about the technology and systems you have in place around sustainability, which of the following do you have?



Data is key to ensuring that the sustainability goals set out by an organisation can be verified and managed. Regulations and other external demands are only going to increase, thus organisations need to ensure that they have a robust method for capturing and validating the data.

It is encouraging to note the relatively high rate of adoption of technology solutions to support supply chain engagement. 50% of organisations have solutions in place to gather data from their supply chains for compliance purposes while 32% have systems to gather information in order to assess the ESG performance of their supply chains.

As businesses increasingly prioritise sustainability, technology is playing a pivotal role in transforming procurement practices. By leveraging data analytics, enhancing transparency, and fostering collaboration, organisations can create more sustainable supply chains. As technology continues to evolve, so too will the potential for innovative procurement practices that align with a sustainable future. Embracing these tools today will set the stage for responsible sourcing and a more sustainable tomorrow.

“ Technology will have a critical role to play in supply chain engagement. Vast amounts of data from disparate sources will need to be collected, curated, analysed, and put into a form that meets regulatory standards. This is the biggest challenge we are seeing in the market at present. Monitoring suppliers can be challenging, raising the risk of unnoticed poor environmental or labour practices. But there is a huge opportunity if companies get sustainable procurement right, and lost revenue if they don't.”



Dave O'Shaughnessy

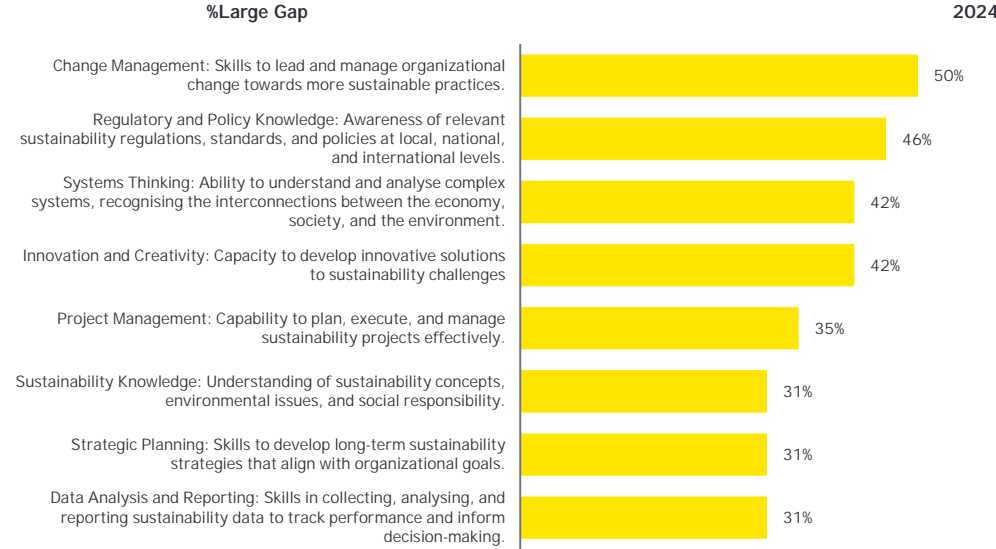
EY Ireland Partner and Sustainability Reporting – Technology Lead



Section 6:

# Skills gaps

Q21. How would you rate the current skills gaps in your organisation with respect to sustainability on a scale of 1 to 5 (with 1 being no significant gap and 5 being a very large gap)?



There are considerable skills and talent requirements for organisations seeking to enhance their sustainability performance. The transformational nature of the sustainability journey requires skills across areas including change management, regulation, innovation, project management and data analysis.

Many organisations report skills deficits in these key areas with the largest perceived gap being in change management. 50% of respondents indicate a significant gap in skills to lead

and manage organisational change towards more sustainable practices. 46% of respondents feel there is a significant gap in awareness of relevant sustainability regulations, standards, and policies at various levels.

The ability to understand and analyse complex systems and recognise the interconnections between the economy and the environment, a form of ‘systems thinking’, is identified as being in short supply by 42% of respondents. An equal number pointed to a lack of capacity to develop innovative solutions to

sustainability challenges.

Project management skills are almost always in high demand and 35% of respondents see gap in this area, particularly in relation to the effective planning, execution and management of sustainability projects.

Deficits were also identified in the areas of sustainability knowledge, strategic planning, and data analysis and reporting, each at 31%. This points to a need for a better understanding of sustainability concepts, strategic planning for long-term sustainability goals, and data analysis and reporting skills for tracking performance and making informed decisions.

These findings clearly highlight the need to take a human-centric approach to the sustainability transformation journey. 2024 research by EY in conjunction with the University of Oxford Said Business School, reveals that 96% of transformation programmes experience challenges that generate a turning point, when the programme has or will go off track. Skilfully navigating these turning points by placing humans at the centre can double the likelihood that a transformation overperforms its KPIs (1.9x) and speed (2.1x) of the overall programme. The human element plays a crucial role in successfully manoeuvring these turning points and increases the chance of a transformation significantly, improving performance by up to 12 times.



“ The skills agenda continues to be a top table agenda item for all organisations. Only a few organisations have effectively been able to step up to the reskilling challenge, not helped in an Irish context by an economy at near full employment. We continue to have conversations with clients centred on the ‘5 B’s’ to come up with creative holistic solutions to bridge this skills gap. These are to build – develop talent internally; buy – hire in from the marketplace; borrow – look at contracting, outsourcing or secondments; bind – focus on retention of key employees and capabilities, and bot – look to opportunities and new solutions presented by technologies such as GenAI.”



Paula McLoughlin  
Partner People Consulting

Section 7:

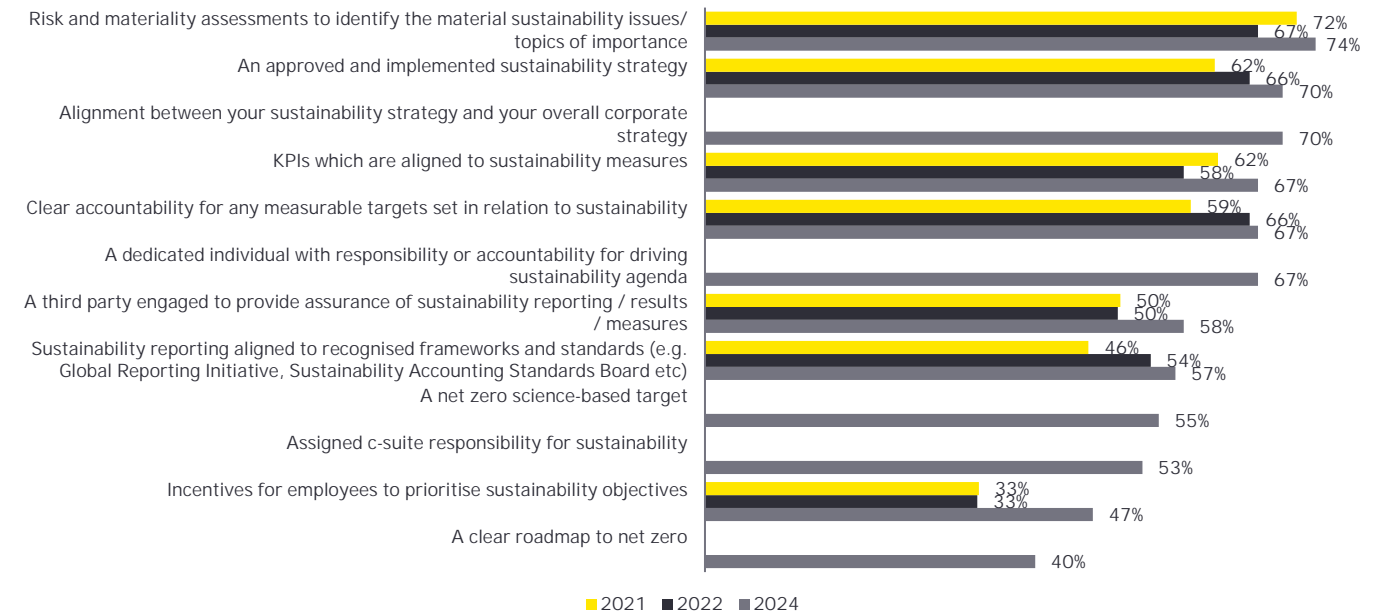
# Implementation of sustainability strategies and leadership accountability

The increased focus on sustainability noted earlier in this report is reflected in the high rate of adoption of formal sustainability strategies. 70% of respondents say they have approved and implemented a sustainability strategy while the same number report alignment between that strategy and the overall strategy for the business.

Moreover, 74% of respondents, an increase from 67% in 2022, report having risk and materiality assessments to identify key sustainability issues, highlighting a robust focus on understanding and prioritising sustainability risks.

Organisations are not only adopting strategies and conducting risk assessments but are also monitoring the effectiveness of their sustainability initiatives through clear KPIs. 67% of respondents have sustainability-aligned KPIs, with the same proportion having clear accountability for achieving measurable sustainability targets. Additionally, a dedicated individual is responsible for driving sustainability efforts in these organisations. Notably, 55% of organisations are aiming for net-zero science-based targets, with 40% having established a clear roadmap towards achieving net zero.

Thinking about the different strategies and processes you might have in place in your organisation in respect to sustainability, do you have the following in place currently?



" Sustainability has become a core business issue, with organisations not only implementing strategies and aligning them with corporate objectives but also setting KPIs and science-based targets with clear individual accountability. This demonstrates a strong commitment to making real progress on sustainability."



Katie Burns

EY Ireland Consulting Partner

Leadership and accountability play a crucial role in driving sustainability efforts, with 53% of organisations assigning C-suite responsibility for sustainability. In 67% of these cases, the CEO or managing director leads the initiative, while in 22%, the responsibility falls to the chief sustainability officer or head of sustainability. The assignment of sustainability responsibilities to senior leaders, including those in the C-suite, underscores the high priority businesses place on sustainability. This commitment is a clear signal to employees, customers, and stakeholders of an organisation's dedication to achieving its sustainability targets.

## Section 8:

# Sector analysis

The data indicates that sustainability is a critical focus across all sectors, with Advanced Manufacturing & Mobility often leading in strategic implementation and reporting. While some sectors like Consumer Products & Retail may have gaps in strategic alignment and leadership, while others like Technology, Media and Telecoms are setting benchmarks with their high level of market-leading reporting. The varying degrees of focus and preparedness for sustainability reporting highlight the different challenges and opportunities each sector faces in implementing sustainable practices.

### Advanced manufacturing & mobility

This sector is at the forefront in terms of strategic commitment to sustainability, with 80% of organisations having an established focus or better. In addition, 85% of respondents indicate that their customers consider the sustainability of products and services as extremely important. The sector also stands out with high percentages having risk and materiality assessments (87%), an approved and implemented sustainability strategy (83%), and alignment between sustainability strategy and corporate strategy (84%). Furthermore, a significant number of organisations in the sector are prepared for CSRD or ISSB reporting requirements, with 33% having established reporting and 12% being market leaders.

### Consumer products & retail

The sector has a slightly above-average focus on sustainability (63%), indicating strong recognition of its importance. Customer interest in sustainability is quite high for this sector with 69% of respondents rating it as extremely important. However, it is a low outlier in sustainability reporting frameworks (39%) and assigned c-suite responsibility (37%), indicating potential gaps in strategic alignment and leadership. Moreover, it has the highest percentage of organisations that are not prepared at all for sustainability reporting (15%).

### Energy and utilities

The sector has a substantial focus on sustainability, with 72% of organisations having an established focus or better. This is very welcome considering the sector's key role in Ireland's decarbonisation journey. Interestingly, the sector reports only a moderate customer interest in sustainability, with 56% considering it extremely important. On the other hand, it stands out for aligning reporting with recognised standards (72%) but is a low outlier in having a clear roadmap to net zero (35%). The sector is reasonably advanced in terms of readiness for sustainability reporting, with 28% having established reporting and 14% being market leaders.

## Health, sciences & wellness

This sector has the highest score for sustainability focus (86%), indicating a strong level of commitment while 70% of respondents rate the sustainability of their products and services as extremely important to their customers. The sector demonstrates strong integration of sustainability into overall business strategies (79%) and a commitment to net zero science-based targets (67%). However, there is clear room for improvement in creating a clear roadmap to net zero (36%). A significant number of organisations within the sector are prepared for sustainability reporting, with 28% having established reporting and 14% considering themselves as market leaders.

## Technology, media and telecoms

This sector has a solid commitment to sustainability, with 70% of organisations having an established focus or better. Customers rate sustainability highly, with 74% of respondents saying it is extremely important to them. Companies in the sector are progressing well in readiness for sustainability reporting, with 20% having established reporting and 21% being market leaders, suggesting a high level of sophistication in sustainability practices.

\*include description of each sector breakdown

# Future outlook and strategic planning

Organisations are confronting the complex challenge of how to fulfil their sustainability commitments in the face of systemic challenges and economic and geopolitical headwinds. Until recently, it was all about target-setting, when stakeholders looked to companies to declare their sustainability ambitions. Now stakeholders expect companies to deliver on them. The survey shows that despite the challenges, many organisations remain committed to achieving those targets and are making sustainability an integral part of their business strategy. Notwithstanding these high levels of confidence, challenges do lie ahead, and organisations will need to redouble their efforts if they are to make good on their sustainability commitments.

## 1. Reimagine the use of technology as an accelerator

**Objective:** Leverage technology and policy developments to drive sustainability as a core business strategy.

**Actions:**

- § Challenge management to integrate sustainability into business operations by using AI and other disruptive technologies.
- § Ensure a balance between operational efficiency, environmental sustainability, and ethical considerations.
- § Support initiatives that prioritise leveraging technological innovations for sustainability.

## 2. Rethink business models

**Objective:** Drive sustainable business transformation and identify growth opportunities beyond compliance.

**Actions:**

- § Encourage management to adopt a strategic approach to sustainability, focusing on areas like circularity for competitive advantage.
- § Develop a compelling narrative for stakeholders on the strategic and long-term value of sustainability.
- § Assess the risks associated with inaction on sustainability issues.

### 3. Reframe time horizons and ROI

**Objective:** Align investment strategies with the dual imperatives of short-term performance and long-term sustainability transformation.

**Actions:**

- § Advocate business cases that support medium- to long-term sustainability investments.
- § Introduce an internal carbon pricing mechanism to evaluate and adjust business strategies.
- § Develop clear, long-term roadmaps for sustainability investments, grounded in the organisation's purpose.

### 4. Expand your ecosystem

**Objective:** Foster pre-competitive partnerships to accelerate sustainability progress.

**Actions:**

- § Cultivate partnerships across the value chain as well as with competitors to address common sustainability challenges.
- § Encourage a culture of collaboration for sustainability innovation.
- § Leverage insights and best practices from climate action leaders to enhance partnership strategies.

### 5. Rethink governance

**Objective:** Integrate sustainability comprehensively into board structures and decision-making processes.

**Actions:**

- § Enhance stakeholder engagement to include diverse perspectives on sustainability.
- § Increase board diversity and sustainability expertise.
- § Make sustainability a standing agenda item and link executive compensation to sustainability performance.

### Implementation plan

These actions must be underpinned by a clear implementation plan which should include:

- § **Timeline:** Define specific milestones and deadlines for each action.
- § **Responsibilities:** Assign clear roles and responsibilities to board members, management, and other stakeholders.
- § **Resources:** Identify the resources required to execute each action effectively.
- § **Monitoring and Evaluation:** Establish KPIs to measure progress and impact, with regular reporting to the board and stakeholders.

### Methodology

- § Research was conducted by Empathy Research on behalf of EY Ireland through CATI interviews with sample of N=200 adults working in senior decision-making roles within their organisation. All organisations had a minimum of n=50 employees.
- § Fieldwork was conducted in September/October 2024



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