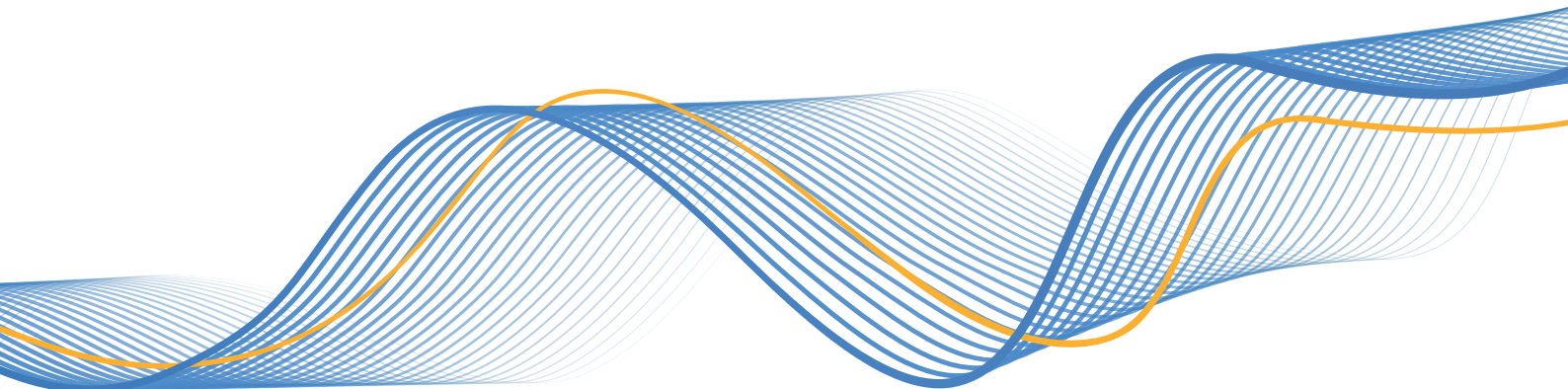NOW FOR NEXT

Sustainability action barometer 2026
Gauging corporate progress toward sustainability goals

Contents

Foreword

Sustainability has moved beyond aspiration. Across the Benelux region—comprising Belgium, the Netherlands, and Luxembourg—organisations are shifting decisively from intention to implementation, embedding sustainability into strategic decision making and operational execution. The findings of this year's Sustainability Action Barometer confirm a profound shift: Sustainability is no longer a parallel agenda—it is becoming the operating system of modern organisations with a clear need for accelerating the progress made.

This transition is not linear. While commitment is strong, maturity remains uneven. Scope 3 execution, data reliability, and cross functional governance continue to challenge even the most advanced organisations. At the same time, technology—particularly AI—is emerging as a powerful accelerator, enabling real time reporting, predictive insights, and lifecycle modelling. Yet its own environmental footprint demands careful stewardship.

What stands out most is the growing recognition that sustainability progress is a collective endeavour. Supply chain alignment, shared standards, and long term collaboration are essential to unlocking meaningful impact. Geopolitical uncertainty adds complexity, but it has not dampened ambition; instead, it underscores the need for resilience, adaptability, and strategic clarity.

The 'Twin Transformation' lens—the integration of digital and sustainability transformation—reinforces a critical truth: Organisations that advance both agendas in tandem will lead the next decade of competitive advantage.

This Barometer aims to provide leaders with a clear view of where they stand today, and the actions required to accelerate tomorrow.

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Executive summary

The push for sustainability gains more urgency with each day. But in the absence of a centralized effort to reach goals such as Net Zero—when no carbon emissions are produced—corporations are working with their own priorities at their own pace.

To gauge the progress of key industries toward true sustainability, TCS and Nyenrode Business Universiteit collaborated to survey and interview business leaders throughout Belgium, the Netherlands, and Luxembourg (Benelux) on several themes and topics. This report—the Sustainability Action Barometer 2026—combines qualitative and quantitative insights for a clear view of sustainability commitments and challenges in the evolving global sustainability landscape.

The results are encouraging even if many companies aren't close to reaching their own targets—and despite a general rise in geopolitical tensions and regulatory issues. That's because a significant majority of Benelux executives say their existing sustainability efforts are either producing top-line growth and bottom-line savings or significant ROI. In other words, even as execution is only beginning to catch up with ambition, sustainability is already making the business case for itself. And that's a raison d'être organisations can embrace beyond compliance.
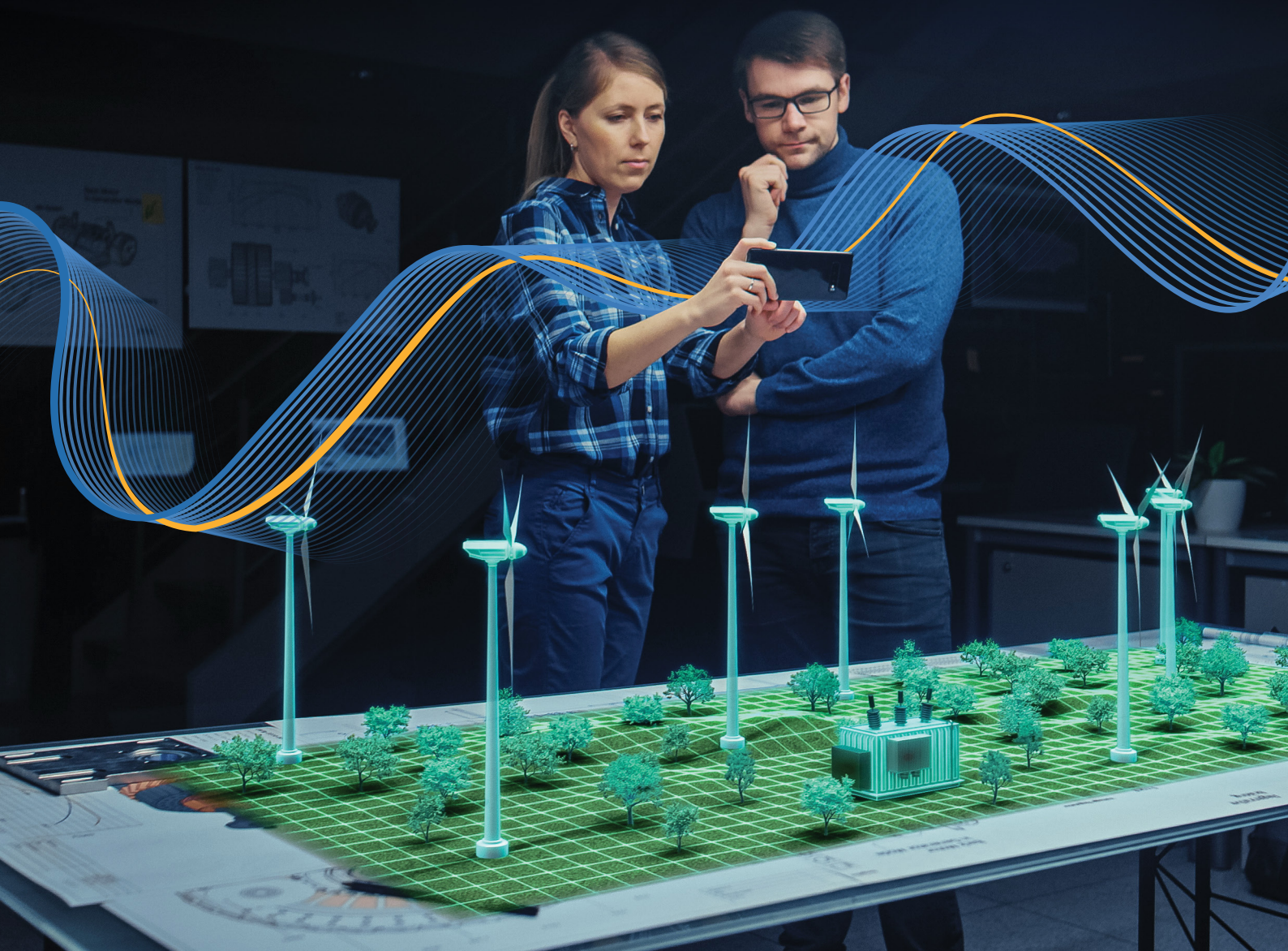
Study overview

Study overview

Through a survey of 100 senior sustainability decision makers in large Benelux organisations exceeding $1 billion in revenues, and supported by 19 in depth executive interviews, the study uncovers a market where sustainability capabilities are maturing rapidly, but adoption remains uneven and insufficiently integrated across organisations.

Key themes that emerge from the findings:

- Sustainability is rising sharply on strategic agendas and is expected to become a **top investment priority within 24 months.**

- Organisations with early AI deployment or circularity integration already show **higher performance and prioritization.**

- Commitment to global frameworks (ISSB/ESRS, TCFD, GRI) is strong, but advanced reporting areas remain underdeveloped.

- The business case is strengthening: **83% report positive ROI**, and competitive advantage is increasingly visible.

- Scope 3 remains the largest execution gap, with supplier transparency and downstream integration lagging.

- AI adoption is accelerating but still early-stage, with most organisations in exploratory or piloting phases.

- Geopolitics is a significant headwind, creating uncertainty in investment, regulation, and long term planning.

- Organisations embracing the **Twin Transformation** outperform peers in resilience, innovation, and value creation.

What's good for
the environment is
good for business

What's good for the environment is good for business

It isn't simply corporate responsibility or regulatory compliance: Sustainability is now driving value for organisations. Most respondents report moderate-to-strong ROI from their sustainability initiatives (see Figure 1). The few who don't say costs are balanced by benefits. And only a small fraction haven't yet seen some competitive or financial advantages (see Figure 2).
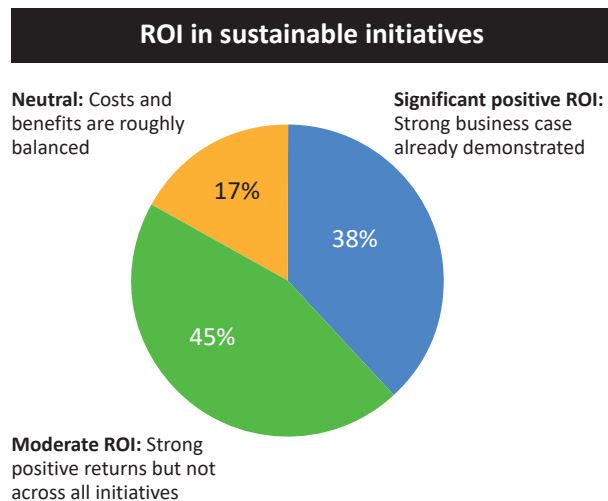
ROI in sustainable initiatives

Neutral: Costs and benefits are roughly balanced

Significant positive ROI: Strong business case already demonstrated

17%

38%

45%

Moderate ROI: Strong positive returns but not across all initiatives

Figure 1. ROI in sustainable initiatives

Competitive and financial advantages

Both top-line benefits (revenue growth) and bottom-line benefits (profitability/cost savings) realised — 36%

Primarily top-line benefits (e.g., customer demand, new markets, product differentiation) realised — 37%

Primarily bottom-line benefits (e.g., efficiency, cost savings, risk reduction) realised — 19%

No measurable competitive or financial advantages yet — 6%
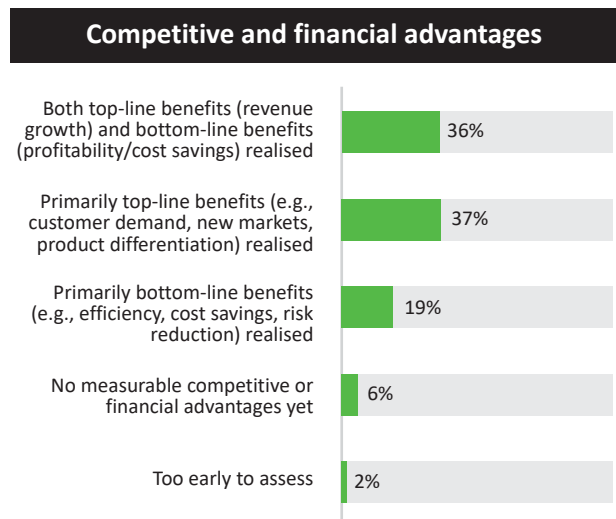
Too early to assess — 2%

Figure 2. Competitive and financial advantages

This reflects the broad prioritization of sustainability as it becomes increasingly central to business strategy, growth, and operating models. Nearly all respondents currently treat is as a top strategic priority or important consideration. Very few consider it an emerging area; no one says it isn't a priority at all (see Figure 3). And within two years, everyone expects a significant boost in prioritization.

Top strategic priority

Important consideration

Emerging area

Not a priority
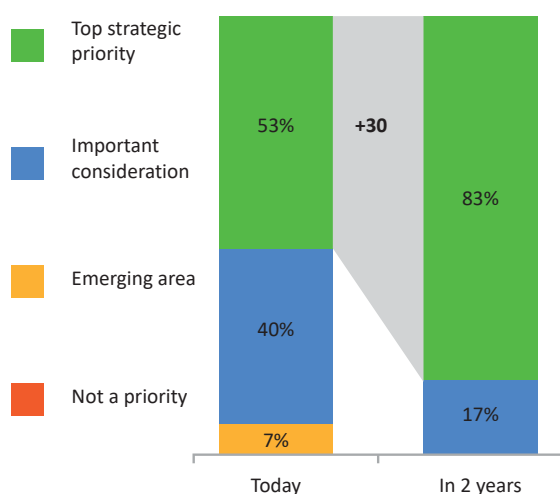
53% +30 83%

40% 17%

7%

Today   In 2 years

Figure 3. Prioritization of strategic investments currently and in the next two years

"Movement was created by societies. That's where the pressure should come from. We need to keep government and corporate leaders accountable for creating a better planet." —CEO, manufacturing

Organisations currently integrating AI or circular practices lead this trend, while those who haven't yet adopted either show the sharpest planned rise (see Figures 4 and 5). This signals the opportunity to accelerate capability-building among emerging adopters.
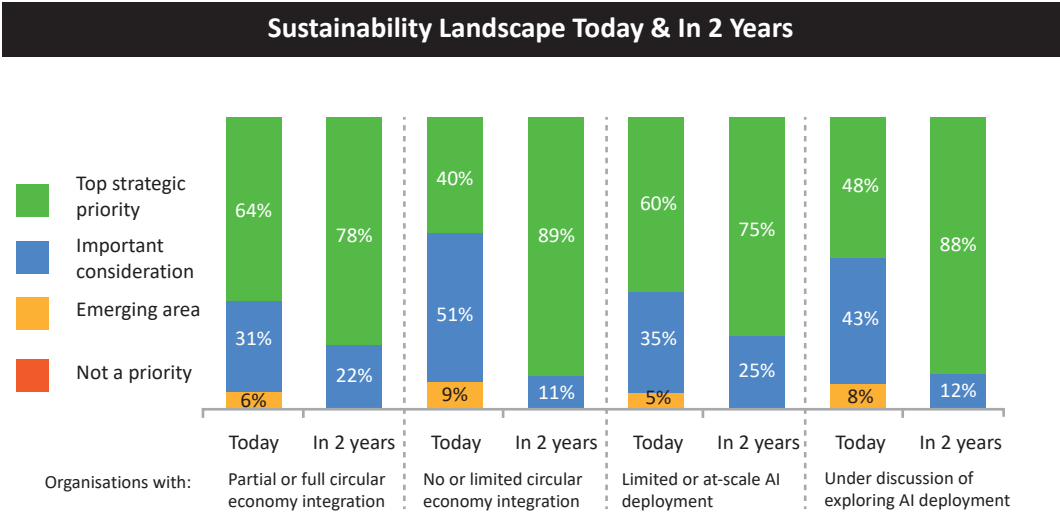

Figure 4. Prioritization of circular economy principles and AI adoption currently and in the next two years
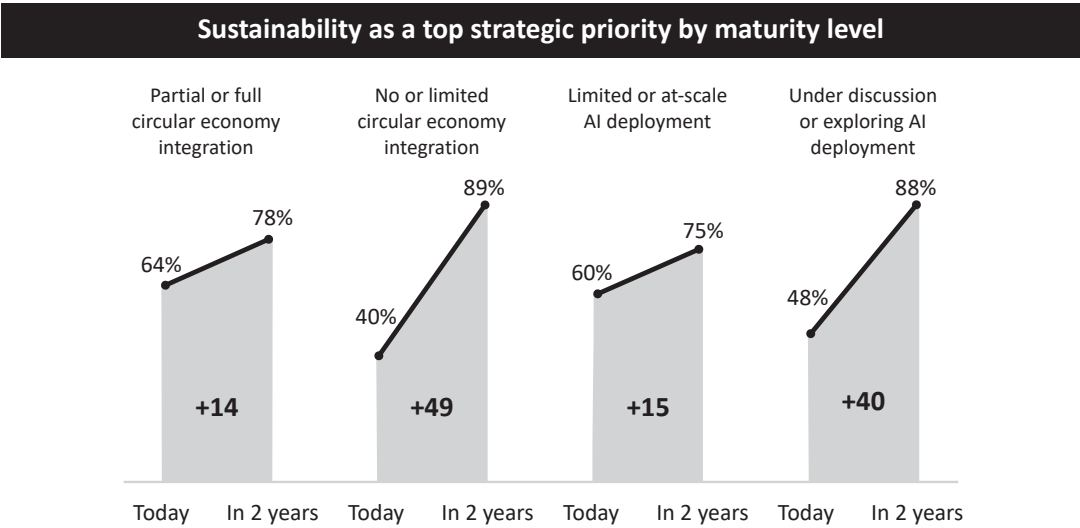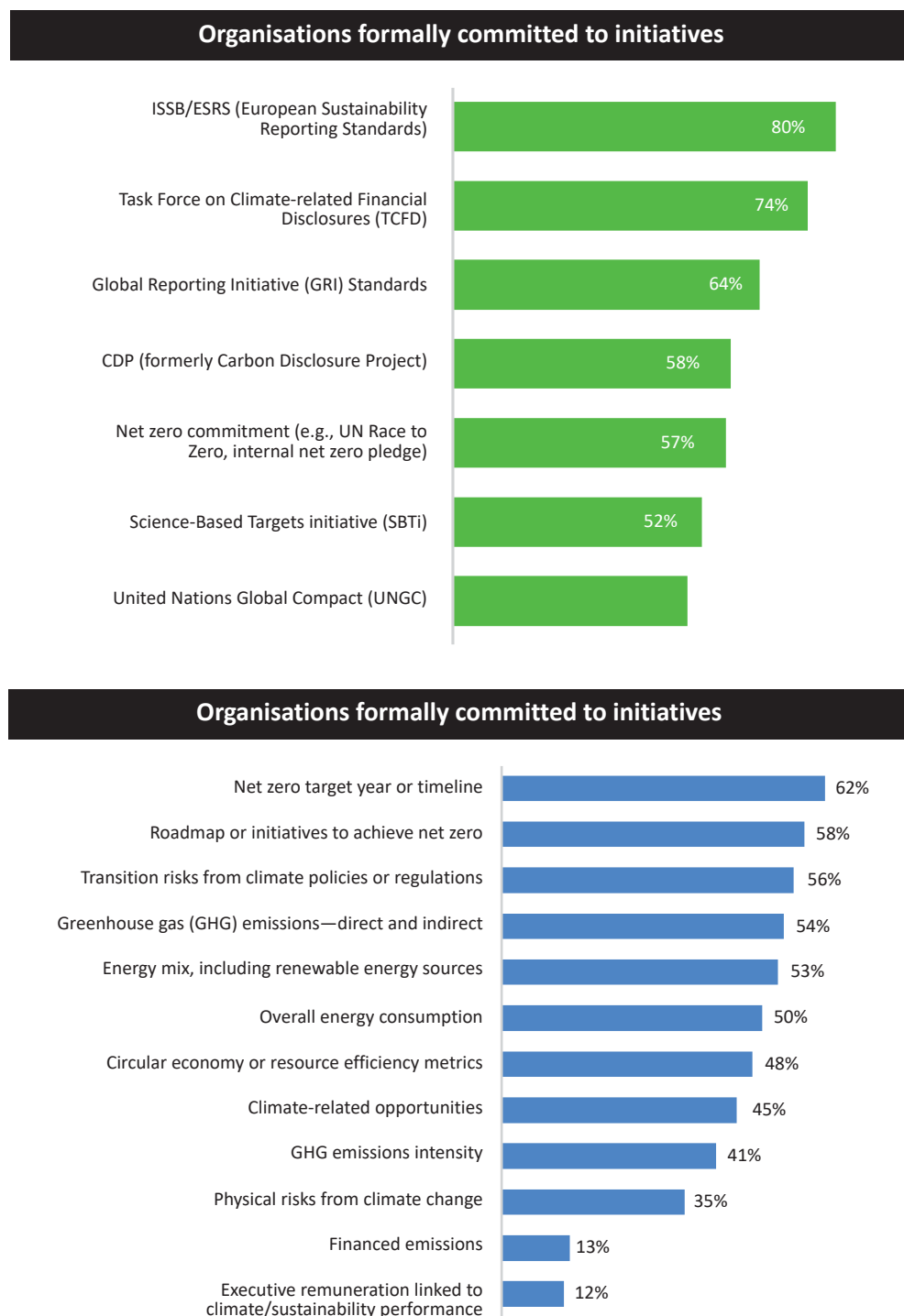

Figure 5. Sustainability maturity levels of respondents' organisations

As part of their sustainability or environmental, social, and governance (ESG) disclosures, most Benelux organisations are aligned with major sustainability frameworks such as the International Sustainability Standards Board (ISSB) and European Sustainability Reporting Standards (ESRS); the Taskforce on Climate Related Financial Disclosures (TCFD); the Global Reporting Initiative (GRI); and the United Nations Global Compact initiative (UNGC). This signals strong compliance; however, research also shows that reporting is focused on baseline metrics like emissions and energy use (see Figure 6).
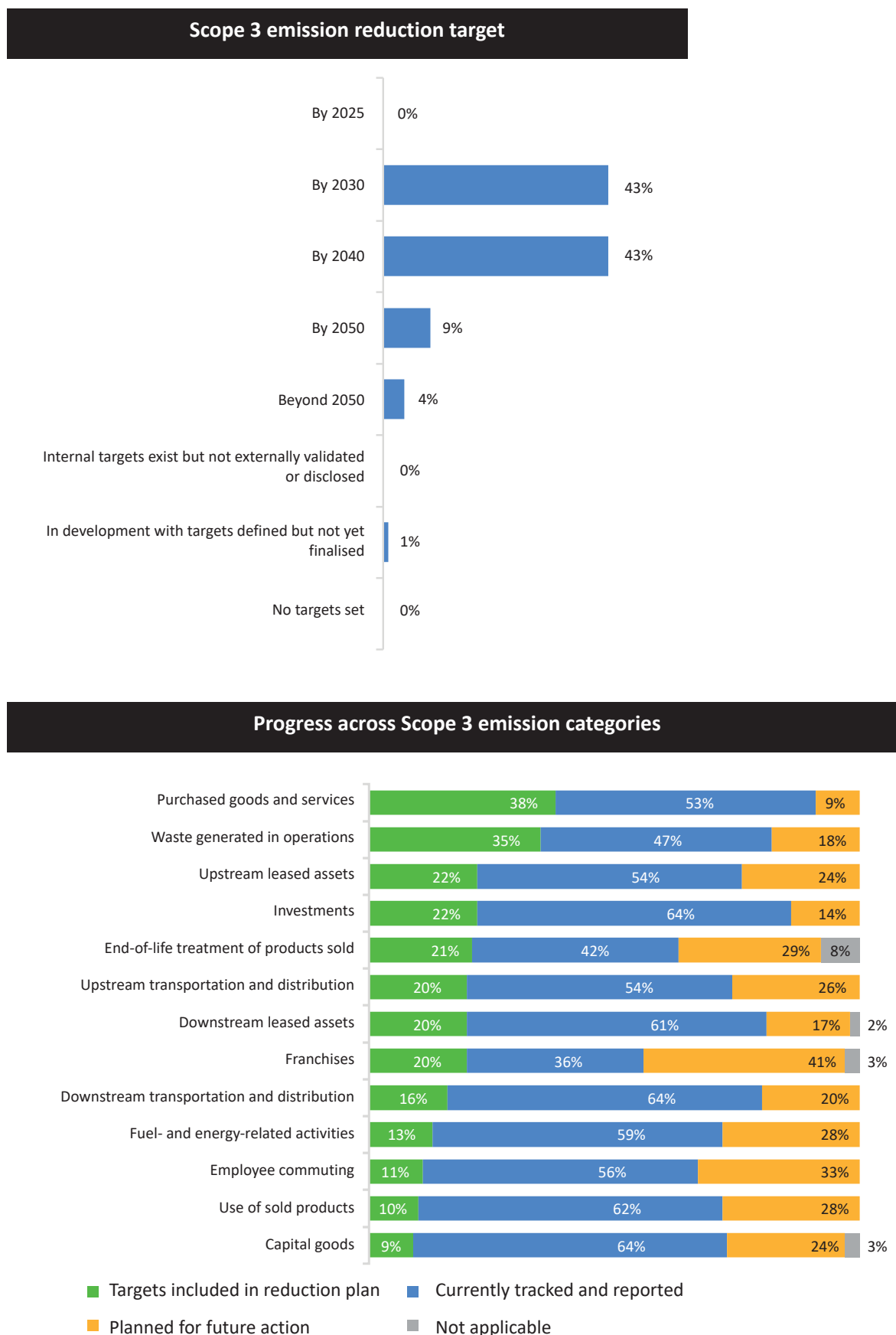
Organisations formally committed to initiatives

Initiative	%
ISSB/ESRS (European Sustainability Reporting Standards)	80%
Task Force on Climate-related Financial Disclosures (TCFD)	74%
Global Reporting Initiative (GRI) Standards	64%
CDP (formerly Carbon Disclosure Project)	58%
Net zero commitment (e.g., UN Race to Zero, internal net zero pledge)	57%
Science-Based Targets initiative (SBTi)	52%
United Nations Global Compact (UNGC)	

Organisations formally committed to initiatives

Metric	%
Net zero target year or timeline	62%
Roadmap or initiatives to achieve net zero	58%
Transition risks from climate policies or regulations	56%
Greenhouse gas (GHG) emissions—direct and indirect	54%
Energy mix, including renewable energy sources	53%
Overall energy consumption	50%
Circular economy or resource efficiency metrics	48%
Climate-related opportunities	45%
GHG emissions intensity	41%
Physical risks from climate change	35%
Financed emissions	13%
Executive remuneration linked to climate/sustainability performance	12%

Figure 6. Formal commitment and reporting practices of respondents' organisations

"We paid attention to ESG by appointing an ESG executive at the board level. ESG objectives are translated into policies and, subsequently, into concrete actions for our company and our clients. Clear KPIs have been agreed on. Actions are focusing on both the short and medium term." —ESG executive, utilities

While every respondent claims their organisations have set targets for Scope 3 emission reduction, none seems to have reached them (see Figure 7). The most progress is being made in purchased goods and services, and minimizing waste generated in operations. All other categories are poised for future action in a current phase of monitoring and reporting.

Scope 3 emission reduction target

Target	Percentage
By 2025	0%
By 2030	43%
By 2040	43%
By 2050	9%
Beyond 2050	4%
Internal targets exist but not externally validated or disclosed	0%
In development with targets defined but not yet finalised	1%
No targets set	0%

Progress across Scope 3 emission categories

Category	Targets included in reduction plan	Currently tracked and reported	Planned for future action	Not applicable
Purchased goods and services	38%	53%	9%	
Waste generated in operations	35%	47%	18%	
Upstream leased assets	22%	54%	24%	
Investments	22%	64%	14%	
End-of-life treatment of products sold	21%	42%	29%	8%
Upstream transportation and distribution	20%	54%	26%	
Downstream leased assets	20%	61%	17%	2%
Franchises	20%	36%	41%	3%
Downstream transportation and distribution	16%	64%	20%	
Fuel- and energy-related activities	13%	59%	28%	
Employee commuting	11%	56%	33%	
Use of sold products	10%	62%	28%	
Capital goods	9%	64%	24%	3%

- **Targets included in reduction plan**
- **Currently tracked and reported**
- **Planned for future action**
- **Not applicable**

Figure 7. Scope 3 targets for emission reduction and progress across emission categories

Decision-making authority and budget ownership in sustainability strategy rests largely with C-level leadership and, to a lesser extent, supply chain executives, risk/regulation/compliance officers, and heads of business units (see Figure 8). Research shows shared responsibility across multiple functions is largely absent.
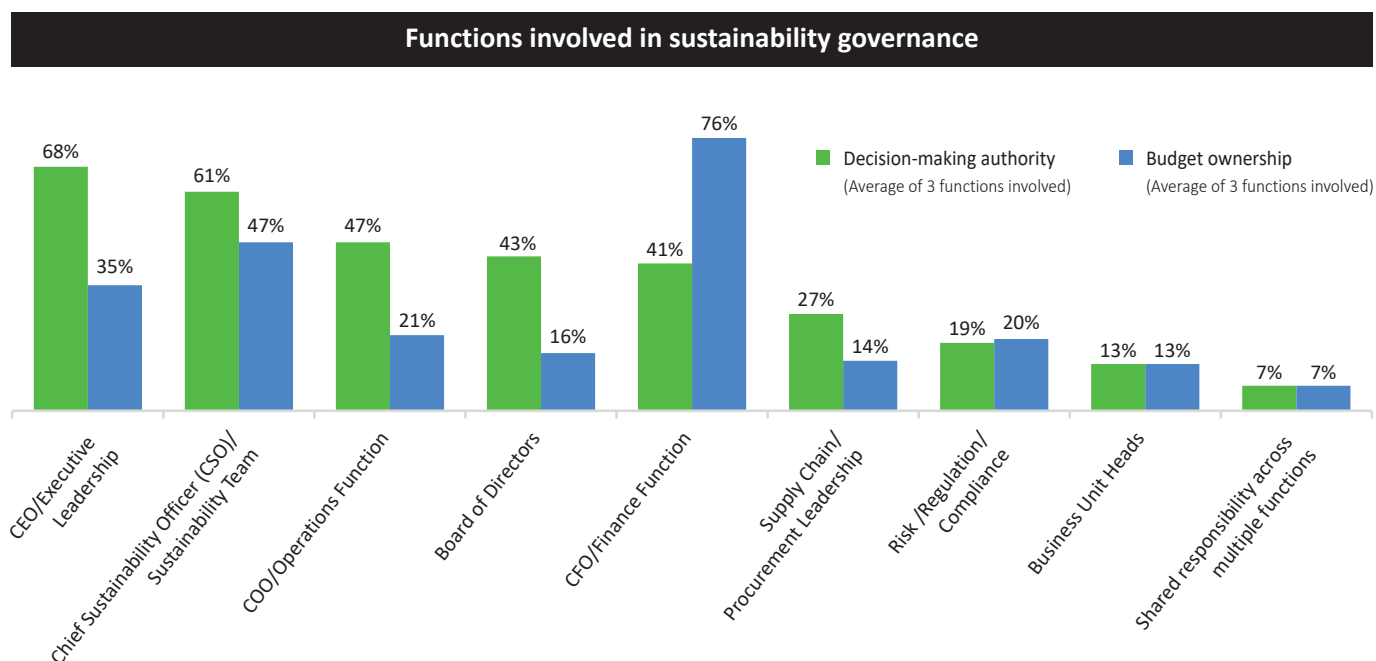
Functions involved in sustainability governance

Figure 8. Governance and the involvement of leadership in sustainability strategies

The most significant challenges faced by sustainability strategies include implementation costs, constraints from partners or suppliers, the absence of reliable, standardised data, and competing business priorities (see Figure 9).

Key challenges in embracing sustainability

Figure 9. Perceived challenges in reaching sustainability goals

Most respondents, meanwhile, believe they're somewhat or fully prepared for the physical risks associated with climate change (see Figure 10).
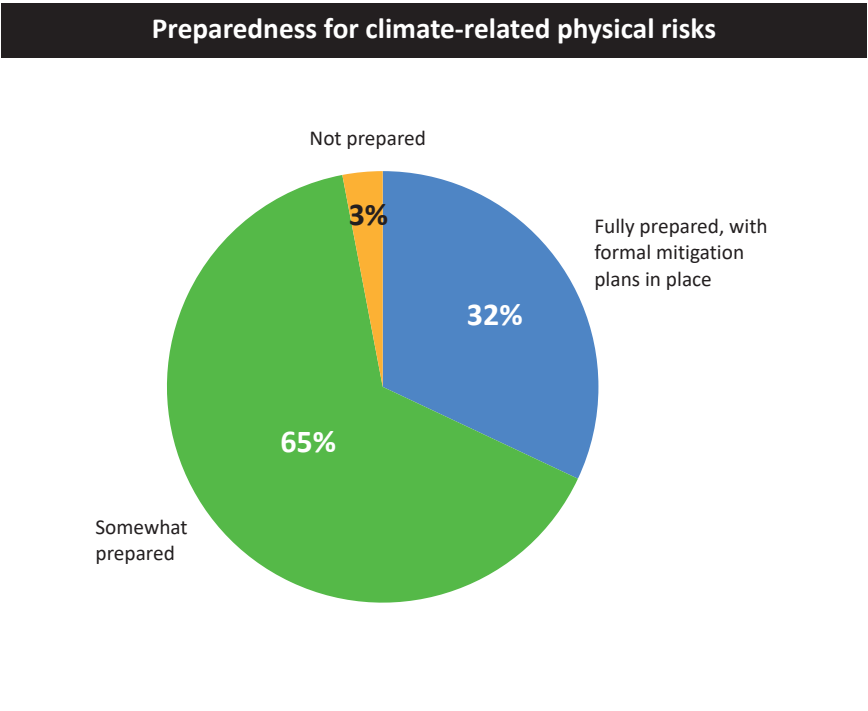
Preparedness for climate-related physical risks

Not prepared

3%

Fully prepared, with formal mitigation plans in place

32%

65%

Somewhat prepared

Figure 10. Preparedness for risks related to climate change

While specific perceptions vary, most respondents attach at least some importance to government funding in their organisation's ability to achieve net zero goals (see Figure 11). This is an important insight for policymakers who are working to accelerate sustainability at the national level.

Effectiveness of government funding toward net zero targets

58%

28%

11%

3%

0%

Yes, significantly   Yes, to some extent   No, limited impact   Not accessed yet   Not applicable

Figure 11. Perceived effectiveness of government funding in achieving net zero goals

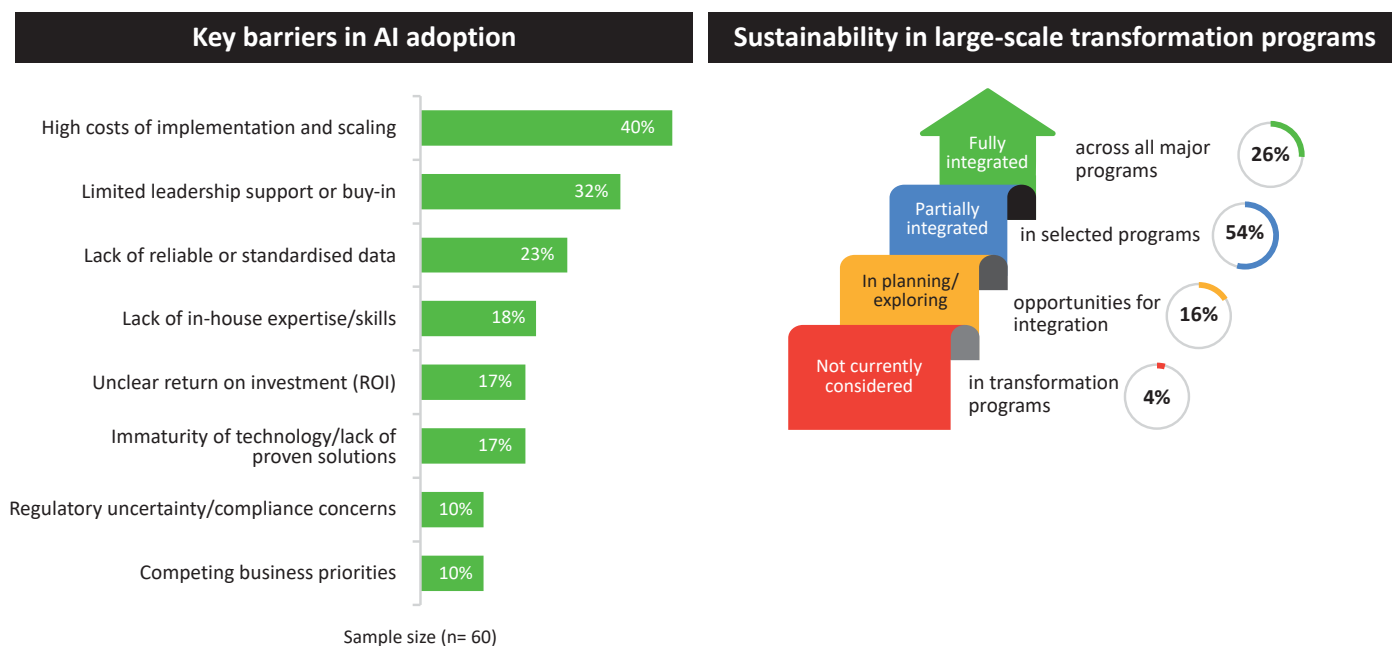"The transition is underway and unstoppable, but political circumstances will influence how long it will take. Companies are generally willing to invest but currently find the risk too great. Subsidies can help get them going again and mitigate the risks." —Director, net zero production, consumer packaged goods

AI for sustainability initiatives remains in early deployment. But while most respondents are in exploratory or piloting phases, it seems momentum is building around responsible data use and carbon accounting. There's also an emerging focus on practices such as energy-efficient data models, green data centres, and digital twins (see Figure 12).

Adoption of AI for climate initiatives

Deployed at scale — across multiple business units or geographies, with measurable impact — **12%**

Limited deployment — through pilot or proof of-concept projects — **28%**

Currently exploring — and evaluating potential use cases — **38%**

No current initiatives — but under discussion for the future — **22%**

Sustainability practices considered/implemented

Practice	Percentage
Responsible data practices	55%
AI-enabled carbon accounting/sustainability reporting platforms	50%
Life-cycle carbon accounting for data models	48%
Energy-efficient data model adoption	35%
Green data centres and renewable energy integration	33%
Use of digital twins for sustainability modelling	30%

Sample size (n= 40)

Figure 12. Adoption levels of AI for climate-related initiatives, and technologies being considered or implemented to enable sustainability practices

The reason why AI deployment is happening slowly is related to the fact that it is expensive and leadership tends to be wary. So, even though half of the organisations have started embedding sustainability in their transformational programs—signalling some progress on a limited scale—real progress will require much more buy-in, support, and investment from leaders (see Figure 13).

Key barriers in AI adoption

Barrier	Percentage
High costs of implementation and scaling	40%
Limited leadership support or buy-in	32%
Lack of reliable or standardised data	23%
Lack of in-house expertise/skills	18%
Unclear return on investment (ROI)	17%
Immaturity of technology/lack of proven solutions	17%
Regulatory uncertainty/compliance concerns	10%
Competing business priorities	10%

Sample size (n= 60)

Sustainability in large-scale transformation programs

Fully integrated — across all major programs — **26%**

Partially integrated — in selected programs — **54%**

In planning/exploring — opportunities for integration — **16%**

Not currently considered — in transformation programs — **4%**

Figure 13. Key barriers to AI adoption and the level of integration in transformational programs

Although respondents understand the importance of a supplier's goals to their own sustainability strategies, and many have formal or informal requirements in place, relatively few have full oversight.

And the adoption of circular economy principles is going slowly. For most organisations, they're only partially integrated or still in piloting phases (see Figure 14).
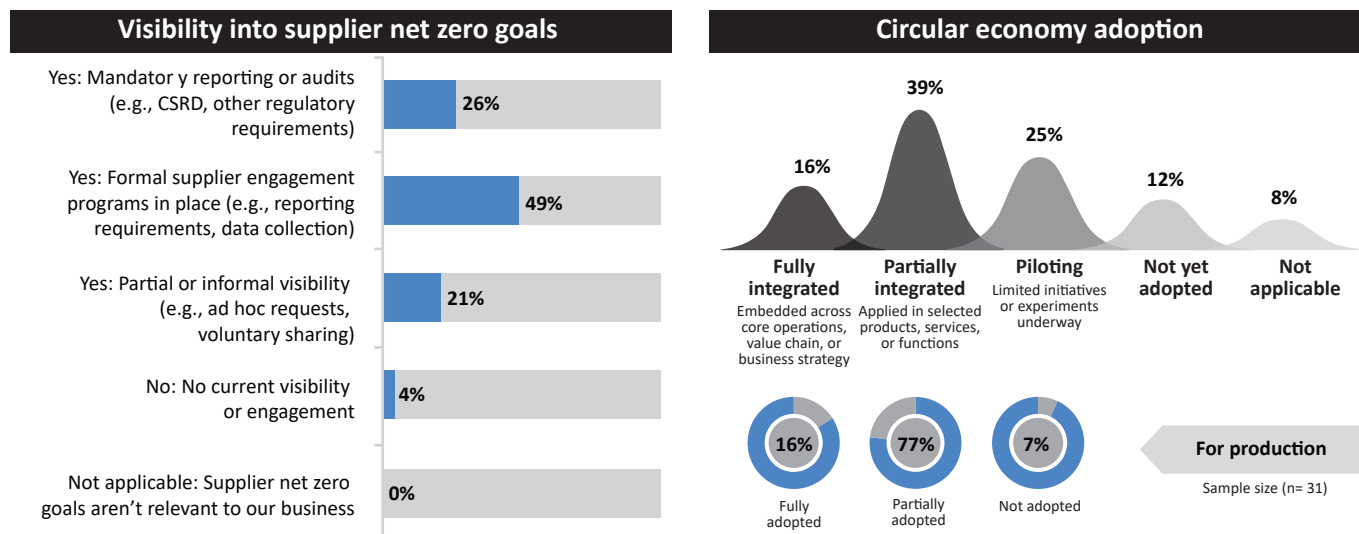
Visibility into supplier net zero goals

- Yes: Mandatory reporting or audits (e.g., CSRD, other regulatory requirements) — **26%**
- Yes: Formal supplier engagement programs in place (e.g., reporting requirements, data collection) — **49%**
- Yes: Partial or informal visibility (e.g., ad hoc requests, voluntary sharing) — **21%**
- No: No current visibility or engagement — **4%**
- Not applicable: Supplier net zero goals aren't relevant to our business — **0%**

Circular economy adoption

- **16%** Fully integrated — Embedded across core operations, value chain, or business strategy
- **39%** Partially integrated — Applied in selected products, services, or functions
- **25%** Piloting — Limited initiatives or experiments underway
- **12%** Not yet adopted
- **8%** Not applicable

16% Fully adopted
77% Partially adopted
7% Not adopted

For production
Sample size (n= 31)

Figure 14. Visibility into suppliers' net zero goals and adoption rates of circular economy principles

While progress is being made on decarbonization, most low-carbon technologies remain in piloting stages. Renewable energy use and low-emission fleets are still limited, showing that energy and mobility transitions have yet to scale meaningfully (see Figure 15).

Adoption of low-carbon technologies

- No — **1%**
- **24%** Yes: Deployed at scale across multiple sites or operations, with measurable impact
- **75%** Yes: Piloting in selected units or sites

Sustainability in energy and fleet operations

% of energy from renewable sources
Average ~55%

- >75% — 8%
- 50-75% — 23%
- <50% — 59%
- Not tracked — 10%

% of fleet being low-emission/electric
Average ~55%

- >75% — 6%
- 50-75% — 20%
- <50% — 72%
- Not applicable — 1%
- No fleet owned/managed — 1%

Figure 15. Adoption rates of low-carbon technologies and levels of sustainability in energy and fleet operations

Underlying research shows most organisations have engaged in net zero alliances of some sort—albeit with limited engagement and a lack of active involvement. Further, they tend to participate in global platforms with sustainability goals that are broader than net zero (see Figure 16).

Figure 16. Involvement and engagement levels with net zero alliances

The Twin Transformation Advantage Radar

The Twin Transformation Advantage Radar

In this part the results of the qualitative research study are discussed followed by a synthesis of both the outcome of the qualitative and quantitative research studies. Combined these studies provide input for the Sustainability Action Barometer. It clarifies what progress is made in achieving organizations' sustainability goals and what remains to be done to accelerate this. The barometer is an action-oriented tool showing progress and what can be done to accelerate achieving sustainability goals while acknowledging the key challenges and opportunities to take into account for doing so.
By collecting rich data in two separate research studies, we are able to provide a more in depth understanding of where organisations stand with achieving their sustainability goals and what they need to further enhance this progress.

The outcome of these studies can serve as input for future policy making regarding much needed sustainability action both in the private and public sector where collaboration is the essence for taking sustainability to the next level. Not as a hype but as an avenue of opportunity to enter new markets, meet customer demand, contribute in a positive way pro-actively to society and bring about transformative change to secure a future for next generations. This is in line with the quintuple helix innovation model (Carayannis and Campbell, 2010) in which academia, business, government, civil society carry a joint responsibility in bringing about innovation and transformational change while giving nature a voice in their decision making.

The qualitative study for the Sustainability Action Barometer 2026 included interviewing 19 senior executives. Interviewees were selected based on their involvement in sustainable development strategies within their organisations. The 19 semi-structured, in-depth interviews conducted by and under the leadership of Prof. dr. Désirée van Gorp in collaboration and Prof. Dr. Albert Plugge of Nyenrode Business University.

The organisations represented by the interviewees encompass the following industries: automotive; consumer products; energy and utilities; food and beverages; IT; financial services; logistics; manufacturing; maritime; professional services; real estate; hospitality; and telecom.

See Table 1 below for an overview of the organizations' sector represented by the interviewees.

Industry	Number
Manufacturing	5
Utilities	2
Consumer Packaged Goods	2
Accommodation & Hospitality	4
Energy & Natural Resources	1
Professional Services	1
Travel, Transportation & Logistics	1
Banking, Financial Services & Insurance	2
Maritime	1

Table 1. Overview of sectors of the organisations represented by the interviewees

Results

We present the research results organized by the following themes:

- Status of achieving sustainability goals: what works really well and what are the key challenges in achieving the organizations' sustainability goals.

- If and how does technology including artificial intelligence (AI) play a role in achieving the organizations' sustainability goals.

- If and how geo-politics impact achieving these goals.

What are internally and/or externally key requirements to accelerate achieving them.

Status of achieving sustainability goals

Overall sustainability is an important item in strategic decision making of respondents which is reflected in the respondents' answers to the question what they perceive goes really well in achieving the organizations' sustainability goals.

Examples of quotes of respondents underlying this:

> "Strategic responsibility from cradle to cradle with clear responsible person."
>
> "Sustainability is really part of the strategy that has helped to create confidence to help getting things done."
>
> "ESG is ingrained in the company's DNA, more so than average compared to other companies."
>
> "20 yrs ago sustainability journey only engaged the large players. It was really at the beginning. Now it is a business-as-usual topic and agenda goes well beyond the large players, also SMEs feel pressure through customers, markets. It indeed is business as usual."
>
> "We paid attention to ESG by appointing an ESG executive at board level. ESG objectives are translated into policies and subsequently into concrete actions for our company and our clients. Clear KPIs have been agreed on. Actions are focusing on both the short and medium term."

However, one respondent states:

> "That's a complex question. The previous month, I would have answered differently than today. Previously, I would have said: collaboration with third-party suppliers and the way we collaborate. However, now that the reorganization and carbon plans are being handled entirely internally, the long-term vision is at risk."

Conclusion

Overall interviewees are positive about the progress made in their strategic decision making resulting in alignment between strategy and execution and smart key performance indicators (KPIs). At the same time integrated business and sustainability strategy leads to adjustments of, for example, operational processes. Additionally, the net zero emission strategy specifically has resulted in the fact that many respondents perceive that their organisations have achieved decarbonization and circularity targets.

Key challenges in achieving sustainability goals

In achieving the organizations' sustainability goals, interviewees identify the following three key challenges answering the question what challenges they perceive in achieving sustainability goals: unclear regulatory directives resulting in uncertainty for example in investing in sustainable transformations; collaboration with suppliers in the value chain to achieve sustainability goals; and balancing strategic interest throughout the organization internally.

Below are some examples of quotes of interviewees underlying the fact that unclear regulatory directives are affecting their organizations' business strategies and policies.

"The regulations framework is messy and not reliable; not really defined at industry level nor specific for different sectors. Industries should be more engaged in the discussion because otherwise they are losing competitiveness and it becomes only an administrative burden; sustainability will only be perceived as a burden without value creation."

"There's far too much red tape now, and that needs to be simplified otherwise the burden will be too high."

"… achieving anything in the Netherlands and Europe is especially challenging. This is due to European policy. Previously, there was a Green Deal, but now there are retreats due to a lack of regulations and subsidies, and the investment climate has become uncertain. Companies want to become more sustainable, but there is too much uncertainty due to the minimum 10-year payback model."

"The most important requirement for achieving goals is stable policy and regulations. System change should help, not change everything in a business case; the value of a triple bottom line should be standard practice."

The other key challenge is the collaboration to achieve sustainability goals with suppliers in the value chain. Some quotes of interviewees underline this perception:

"The major challenge is Scope 3, with a large number of suppliers who are not all at the same level of progress."

"Primarily focused on the value chain, many steps have been taken, but I would like more information from partners to be able to take chain responsibility."

"Regarding our footprint, we are doing well on scope 1 and 2, but its more difficult regarding scope 3 emission reductions. We as a company are not slowing down, the world is."

The third key challenge for achieving the organization's sustainability goals that interviewees mention is related to balancing internal strategic interest and translating high-level sustainability goals in everyday practice. Below are some quotes of interviewees that underline this challenge.

"How can you make it practical for the everyday person and take people on a journey by explaining it is not complicated to make a difference in sustainability."

"Translating high-level sustainability goals in practice…how can overall targets be translated in specific business practices…into targets of business units. That translation has been very difficult…"

"KPIs are not actively shared, as these are difficult to manage in practice. We have not embedded KPIs in our organization (business processes, operations)."

Conclusion

Overall interviewees are positive about the achievement of their organizations' sustainability goals. Nevertheless, they identified some important key challenges that inhibit even more progress that are both reliant on internal and external factors. These are important to take into consideration both for government and business policies to secure further progress in achieving sustainability goals.

The role of technology including AI in achieving sustainability goals

Interviewees were asked if and how technology and AI specifically play a role in achieving their organisations' sustainability goals. Overall interviewees view technology and AI specifically as a tool for reporting and for many it is paramount to be able to report given the number of data points needed and the increasing complexity that reporting brings to their organisation.

> "Policies in place, but to collect data was the missing link and technology has helped to collect and analyse the data. Via dashboards keeping track of progress."
>
> "Reporting tools are also increasingly using AI. We just implemented Scope 3 reporting, which includes an AI tool."
>
> "So far it is helping at the reporting level, and some AI tools are being used for the assessment and risk monitoring e.g. supply chain in Taiwan. Still in the initial state not used so far in an analytical way."
>
> "ESG reporting, number of data points is enormous, can't do without technology. AI will play a critical role, no choice given the number of data points and it is not static, targets are dynamic and moving hence dynamic assessment is super important."

Interviewees also refer to some other aspects of using technology for achieving their sustainability goals as reflected in the quotes below:

> "Yes, definitely at an industry level, to work better with our resources, human or other assets. We are at the beginning, trying to get use cases to do it better."
>
> "… uses it to synthesize large amounts of information based on ESG and best practices, and to train its own LLM to train with validated information. Within two years, a lifetime assessment of a product's life cycle could be available; data-driven decision-making based on best practices. People will need to be trained to use this."
>
> "…for example, 10 yrs ago, nobody was using deforestation with satellite monitoring, now that is all possible. AI can help sensing the amount of carbon underneath the trees."
>
> "Primarily used to build the business case based on reliable data."
>
> "Photonics, a transition from optical to electrical signals, will enter the market starting in 2030. Increased optical communication will result in significant savings."

At the same time, some interviewees refer to the fact that technology can also be a problem for achieving sustainability goals. Below are some quotes that underline the perception that technology is not just a positive factor in achieving and reporting on sustainability goals.

> "AI is being used for due diligence, and we intend to use it to create profiles for suppliers. But it's not a silver bullet yet. Technology can also be a problem."
>
> "AI is a worrying trend, and the focus on energy transport for data is an issue… Pressure will come on the permissible voltage."
>
> "AI requires enormous computing power and is a significant factor, which, incidentally, is not sustainable."
>
> "We have some doubts on the use of AI. We use a lot of compute power which affects the degree of energy consumption (like co-pilot)."

Conclusion

Most interviewees mentioned that technology plays an important role in reporting on their sustainability goals, and some mentioned that it is not feasible without technology due to the large number of data points and the complexity of the reporting. Some interviewees mention that the use of technology, especially AI, is still in its early stages, but they see more opportunities to use it for achieving their sustainability goals in the future. At the same time, some are mindful of the problems technology can pose, especially the computing power it requires, which makes it unsustainable and demands attention in future policies and strategies.

Geopolitics and its impact on achieving sustainability goals

Although most interviewees recognize that sustainability is here to stay in their strategies, they perceive that geopolitics is hindering their ability to achieve sustainability goals, with one exception: an interviewee representing an organization that is only active locally. Below is an overview of quotes from the interviewees that provide insight into how geopolitics negatively impact the achievement of sustainability goals, resulting in serious pushbacks in strategy and execution.

"Geopolitics play a big role especially with regard to material sourcing."

"Yes, it certainly plays a role, depending on what is and isn't possible."

"Connectivity data are interconnected and geopolitics can support or hinder that."

"Very important. Tariffs have a direct impact. There's a pushback regarding sustainability."

"Dutch organization, government policies matter but global not a real issue though in the supply chain there is a risk that's why they do risk assessments. Geopolitics do not matter or change the sustainability goals that are integral part of the strategy."

"The biggest part is about change management. The soft approach of stakeholder ownership, geopolitics playing a major role in this, can make change management more difficult."

"Economic recession, geopolitical situation is bringing recession and impacts availability of budget available."

"A geopolitical development is data sovereignty i.e., ensuring data security. Moreover, import tariffs indirectly affect our company through our customer processes."

"Recent tariff agreements lead to a lot of uncertainty. The market is hesitating that results in a downturn. As an example, we (as a company) have defined internal travel restrictions."

Conclusion

According to the interviewees, the current geopolitical situation is negatively impacting their organisations' ability to achieve their sustainability goals. This results in a smaller budget supporting the sustainability strategy, which poses a barrier to for example data security. Imposed tariffs affect the overall economy, for example, by decreasing customer spending. Ultimately, this results in less internal support, making the change management initiatives necessary for executing the sustainability strategy more difficult.

Internal and external key requirements needed to accelerate achieving sustainability goals

When asked about which internal and/or external requirements are necessary to accelerate the achievement of organizational sustainability goals, interviewees answered with a wide variety of responses. Internally, these requirements range from allocating more budget and assembling a larger team to establishing clear governance and recognizing the strategic importance of sustainability for the organization's future relevance. Externally, they relate to standardizing goals worldwide and involving the entire supply chain, which requires stimulus such as subsidies, stable laws and regulations, and a level political playing field. Below are quotes from interviewees reflecting some of the internal and external key requirements they perceive are needed for their organisations to take bigger steps toward achieving their sustainability goals.

"Get the entire supply chain involved. Sustainability goals should be defined world-wide for all companies, and it should be done in such a way that it is less of an administrative burden."

"We have to work on Scope 3 up and down stream emissions. Suppliers are a combination of Scope 1 and 2. Everyone should commit to Scope 1 and 2."

"The transition is underway and unstoppable, but political circumstances will influence how long it will take…. Companies are generally willing to invest but currently find the risk too great. Subsidies can help get them going again and mitigate the risks."

"Everyone must have the same standards so it can be measured effectively with clear KPIs…"

"Movement was created by societies that's where the pressure should come from, we need to challenge that as individuals and keep government and corporate leaders accountable for creating a better planet."

"Clarity about the market's direction. Circularity is the biggest challenge. Low prices for rural materials. Regulations surrounding plastic use could provide clarity."

"Internally, decision making, governance. At the moment it is unclear up to what threshold can be invested. Sustainability goals are part of the business but governance around it is not very clear. Externally, backing up by stakeholders. Now there are different agenda's contradicting, navigating between unclear boundaries, regulations should be in place. Clear government regulations are essential."

"It's crucial to get everything rolled out internally and gain ownership. It requires change management and soft skills; everyone needs to embrace it. Externally, all companies must participate, so you need the layer around it. Geopolitics must also play a role here by looking more positively at what's already being done. Legislation focuses on larger companies; the crucial question is how to get smaller companies on board. Politicians need to embrace it."

"Internally we need a bigger team… more support group CFO, budget, focus on why sustainability is strategically important. And regarding regulations there should be more stability and clarity."

"Companies must cooperate, and benchmarking could be more robust. Companies can choose whether to participate. It's voluntary. Economic and geopolitical interests make it difficult for Europe to maintain its position. It's becoming more complicated. The report is getting thicker, and the question is: who's reading it? Do what really needs to be done now, because it's too complicated to work everything out. Standardization should be more widespread. Politics itself needs to be clearer with industry."

"Internally, there's the will, although the company is facing tough times, so it helps that there's legislation. Ambition is there, but in tough times, choices have to be made, and commercial priorities often take precedence."

> "More capacity, still more projects, roadmap bigger than staffing, building out the team. It would help if CRSD is in full scope, board, leadership push on board agenda."

> "Responding non-linearly; complex systems function differently, and politicians must explain that to voters. Transdisciplinary thinking and considering solutions, judging by results achieved."

> "At group level, targets are being met. At a local level, critical mass is required to steer towards our sustainability goals. The market is highly competitive as it has become a saturated market. Our company is taking action to steer towards a local strategy and policies. For example, focusing on ESG first, followed by financials. Currently, there is no enforcement of ESG KPIs locally."

> "Accelerating our SDG goals require additional budget."

Conclusion

Interviewees listed a variety of internal and external key requirements that they perceived as important for achieving their organizations' sustainability goals in the future. Internally, the key requirements focus on securing adequate financial and capacity support, strategic decision-making clarity, and governance. They also focus on ownership and leadership to facilitate transformational change, which requires soft skills, transdisciplinary thinking, nonlinear thinking, clear policies, KPIs, and the willingness to cooperate and persevere through challenging periods when commercial priorities often take precedence. Ownership, leadership, and cooperation are crucial in these times to get everyone on board.

Externally, the key requirements focus on a stable political climate and laws and regulations, among other things, as a foundation for large investments that require long-term commitments and payback cycles. The entire supply chain and all suppliers should be involved. Sustainability goals should be formulated and standardized worldwide so they can be translated into clear KPIs that are measurable and less of an administrative burden with too much focus on compliance only. Furthermore, government and corporate leaders are accountable for creating a better planet, just as individuals are. Clearly, different conflicting agendas will continue to be a reality, and leaders will have to navigate unclear boundaries. Therefore, leadership and cooperation are essential at all levels of society, not just globally, but also locally. Cooperation in ecosystems is essential, even if it means giving up short-term commercial gains to achieve long-term sustainability goals.

In addition, the results of this qualitative study have been applied through the lens of twin transformation: a synergism in which an organisation's digital transformation enables sustainability transformation, while sustainability transformation guides the digital transformation (Aagard & Vanhaverbeke, 2024).The integration of digital and sustainability transformations reflected in the Twin Transformation concept assumes that organisations that adapt to these transformational forces with a synergistic approach are more successful. Christmann et al. (2024) discuss the Twin Transformation concept, which entails digital transformation enabling sustainability transformation. At the same time, sustainability transformation guides the digital transformation. The primary goal of digital transformation is argued to be a competitive advantage for profit, while the primary goal of sustainability transformation is to be a competitive advantage for sustainability. This creates an interesting tension between the two.

The framework contains four categories (see Figure 17): Traditionals, Sustainable Pioneers, Digital Innovators, and Twin Transformers.
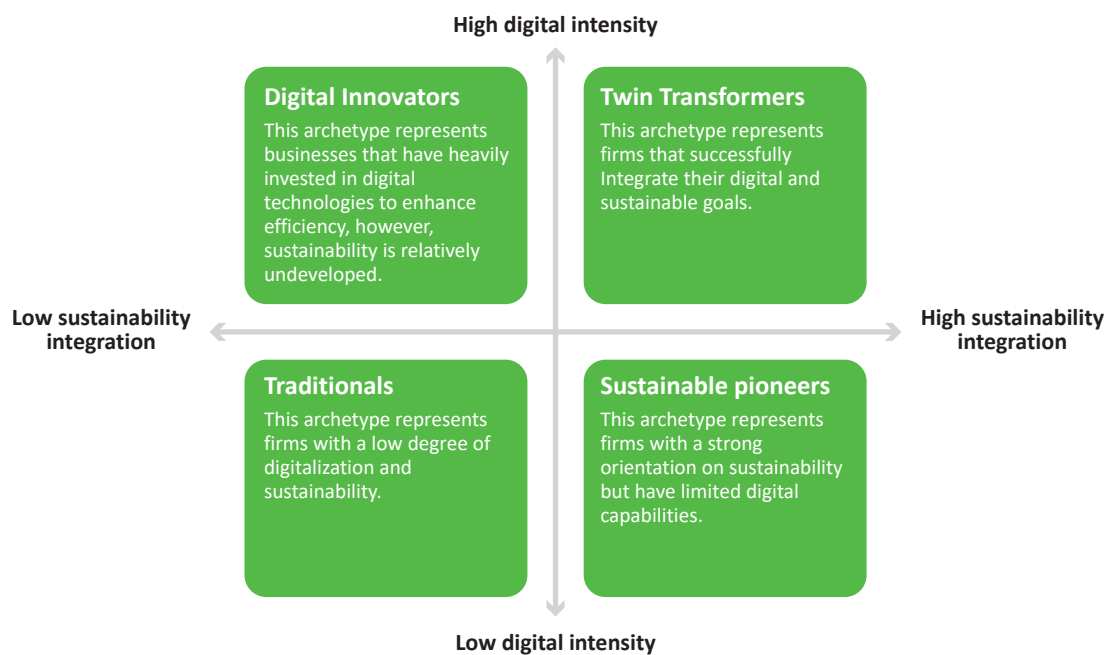

Figure 17. The Twin Transformation Advantage Radar

This study's findings show that most organisations focus on achieving sustainability goals (Sustainability Pioneers), followed by a smaller group that started with digital transformation (Digital Innovators). Five of the 19 interviewed organisations are labelled Twin Transformers, and none are identified as Traditionals (see Figure 18).

Figure 18. Distribution of interviewees' organisations in the qualitative study

Synthesis

Combining the results of quantitative and qualitative research provides a more in-depth view of the outcomes. This section provides a synthesis of the findings, which are organized into the seven thematic sections introduced at the beginning.

1. Strategic commitment

Regarding strategic commitment, including strategic and sustainability prioritization, we conclude that organisations generally position sustainability as a top strategic priority. This aligns with their specific investments. According to the survey, organisations expect strategic commitment to increase within the next two years. Technology is seen as a driver to support this strategic goal in the upcoming years. The qualitative study supports this key finding, as interviewees are positive about the progress made in their strategic decision-making processes, which result in alignment between strategy and execution. Consequently, interviewees argue that an integrated business and sustainability strategy requires adjustments, or even a transformation. For example, operational processes must be adjusted to enable an organization's business and sustainability capabilities, which must be aligned with relevant KPIs.

The survey results show that a significant percentage of organisations (45%) report moderate ROI, meaning they perceive positive returns from their sustainability initiatives, though not all initiatives are equally successful. Regarding the importance of competitive advantage, a significant percentage (36%) of organisations argue that sustainability enables topline growth (revenue growth) and bottom-line benefits (profitability and cost savings). According to the interviewees, the current geopolitical situation may affect organisations' sustainability goals, as well as their ROI and competitive advantage. Consequently, geopolitical risks may hinder growth ambitions. For example, imposed tariffs can affect the overall economy, resulting in a decrease in customer spending. This could lead to decreased spending and support internally, making the change management initiative necessary for executing the sustainability strategy more difficult.

2. Technology and Innovation

The survey reveals that only a small percentage of organisations (12%) have deployed AI for sustainability-related initiatives across multiple business units or geographies, achieving measurable impact. A somewhat broad category of organisations (22%) mentioned that they currently have no initiatives, but the topic is under discussion for the future. Most interviewees mentioned that technology plays an important role in sustainability reporting. One barrier identified in the qualitative study is that topics such as CO_2 emissions generate a large amount of data points across supply chains. Importantly, corrupt or incomplete data hinders organisations from effectively measuring and reporting sustainability outcomes. In addition to the perceived value of AI technologies in the context of sustainability, some interviewees mentioned that the use of AI is still in its early stages. In the near future, it is expected that AI will provide an opportunity to collect, analyze, and report sustainability outcomes. However, interviewees are hesitant to seriously implement and apply AI given its limited value today. One issue that was identified is that using AI negatively affects the achievement of sustainability goals (an increase in energy and water use).

3. Policy and Regulation

Based on the survey results, we can conclude that organisations have aligned their goals with various sustainability frameworks (e.g., GRI, SBTi, and SDGs) and supporting standards (e.g., ISSB and ESRS). By doing so, organisations can comply with relevant regulatory bodies. In the context of sustainability, the vast majority of organisations focus on baseline metrics, such as emissions and energy use, with limited disclosure on financed emissions. This is supported by interviewees, who argued that their focus is on carbon dioxide emissions and, more broadly, greenhouse gases (GHGs). Overall, the interviewees are positive about their organisations' sustainability achievements. Nevertheless, they identified important challenges that may hinder commitment and reporting practices. For example, insufficiently applicable reporting frameworks at the industry level or unstable policies and regulations may hinder the achievement of reporting goals.

Respondents' organisations' importance in achieving net-zero goals varies from significant to limited. The interviews show that achieving net-zero goals depends on a stable political climate, laws, and regulations as a foundation for significant investments requiring long-term commitments. This affects not only the organisations in scope, but also their suppliers and supply chain partners. Moreover, compliance with policies and regulations creates an administrative burden that may negatively impact the achievement of net-zero goals.

4. Governance and Leadership

The survey results show that, when it comes to sustainability, decision-making authority is largely the responsibility of C-suite executives. Key C-suite roles include the Chief Executive Officer (CEO), the Chief Sustainability Officer (CSO), the Chief Operations Officer (COO), the board of directors, and the Chief Financial Officer (CFO). This top-down approach demonstrates that C-suite roles steer and coordinate sustainability goals. The qualitative study results support this finding, showing that C-suite roles provide the financial support necessary for achieving transformational change, which requires strategic decision-making, governance, ownership, and leadership. Therefore, governance and leadership play an important role in the sustainability transformation, which requires soft skills, transdisciplinary thinking, and non-linear thinking, as well as the establishment of clear policies and KPIs.

5. Supply Chain & Circularity

Regarding supply chain visibility and circular economy, the survey results reveal that to a large extend (almost 50%) organisations have formal supplier programs in place. Examples are, reporting requirements, data collection or collaboration initiatives. A limited number of organisations (26%) have mandatory reporting or audits for example through CSRD or other regulatory requirements. In terms of adoption of circular economy principles within production, organisations partially integrated them in products, services or functions. A small number of organisations (16%) have fully integrated these principles and embedded them across core operations, value chains or business strategies. Although some organisations conduct pilots or experiments the qualitative study illustrates various barriers that hinder the adoption of circular economy principles. The collaborative role and involvement of supply chain partners is essential to adopt circular economy principles and ultimately achieve economic benefits. Again, this refers to the transformation complexity in which change and responsibility forms prerequisites for all involved partners. In addition, interviews revealed that long-term commitments and pay-back cycles regarding supply chain partners is a necessity. Sustainability goals should be formulated and standardized in collaboration with supply chain partners to become effective. Next, sustainability goals can be connected to KPIs that are measurable. Automation and AI may act as an enabler to achieve these goals while decreasing the administrative burdens.

6. Collaboration and Advocacy

The survey results reveal that most organisations are part of net-zero alliances, although these alliances are based on limited engagements. Specifically, a significant proportion of organisations (61%) are affiliated with local UN Global Compact networks in Belgium and the Netherlands. Another significant category (48%) acknowledges the importance of the Science Based Targets Initiative (SBTI).
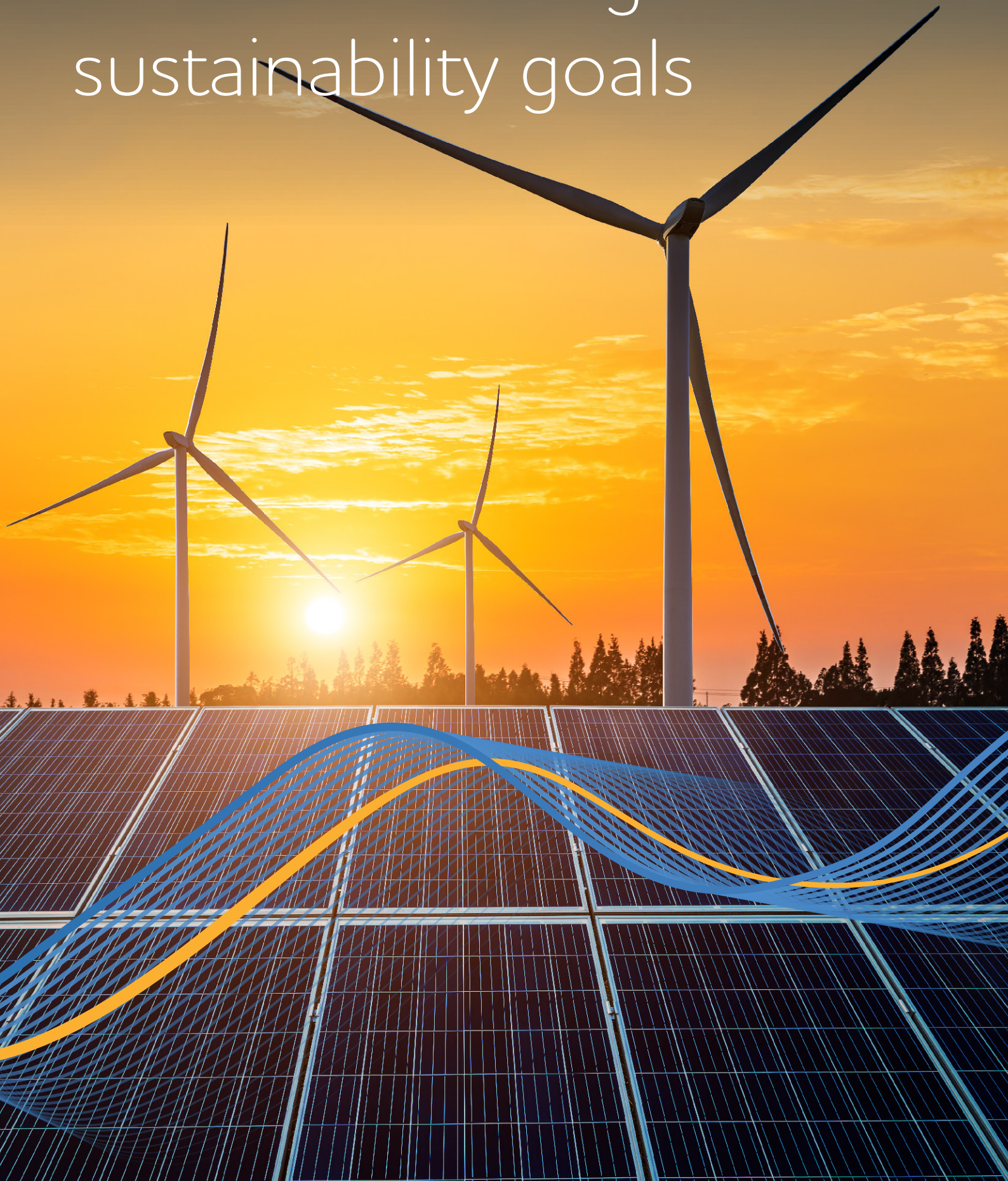
7. Emission Reduction

When it comes to addressing emissions and climate resilience, the majority of respondents (75%) mention that their organisations are piloting the adoption of low-carbon technologies. A small percentage (24%) of organisations argue that they deploy low-carbon technologies across multiple sites or operations with measurable impact. Several interviewees argued that, when adopting low-carbon technologies, they must be connected to KPIs to measure their effectiveness. However, we found that KPIs are often not defined at the board level or translated into operational business processes. Consequently, the degree of adoption cannot be measured. Additionally, we found that climate and overall sustainability performance are only somewhat linked to executive remuneration. This is a strategic oversight at the board level, as we found that C-suite roles govern the sustainability strategy.

Regarding scope 3 targets for reducing emissions, we found that none of the respondents have reached these targets. A significant percentage (43%) of respondents foresee achievement within the next five years, i.e., by 2030. A second category of organisations (43%) foresee extending the timeline to 2040. The qualitative study provides an explanation for this delay. Various organisations argue that Scope 3 is perceived as a major challenge because suppliers involved are not all at the same level of progress. Due to the dependency between organisations and their suppliers, it may take time to adequately decrease scope 3 emissions.

Moving ever closer toward achieving sustainability goals

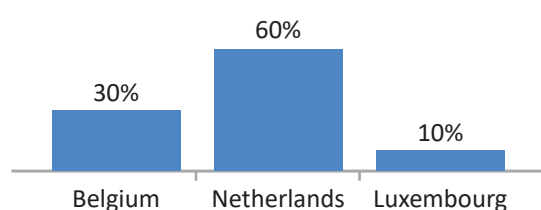# Moving ever closer toward achieving sustainability goals

The Sustainability Action Barometer 2026 can conclude sustainability is firmly positioned as a strategic priority across Benelux organisations. Formal commitments are widespread, and many companies are starting to see tangible returns. The challenge ahead is no longer ambition—it's execution at scale. Critical action points include:

- Going beyond compliance-driven reporting to decision-ready metrics

- Evolving governance to a shared ownership model

- Reducing siloed thinking with enterprise-wide decision-making

- Focusing digital and AI investments on a limited number of high-value use cases

- Shifting proven decarbonisation initiatives decisively from pilot to scale

Looking ahead, organisations must accelerate from incremental progress to transformation. Scope 3 execution needs to move from long-term intent to near-term action through closer value-chain collaboration and shared reductions plans. Sustainability and digital transformation should converge into a single strategic agenda, enabling organisations to move toward true Twin Transformation maturity. Capital allocation and investment decision-making must consistently balance short-term pressures with long-term competitiveness and resilience, even in an uncertain geopolitical context. Deeper participation in sustainability ecosystems will be essential to reduce fragmentation, align standards, and accelerate collective impact.

Ultimately, the organisations that act decisively—strengthening governance, embedding sustainability in core operations, and using technology purposefully—while collaborating throughout the supply chain will be best positioned to scale impact and lead the next phase of sustainable and competitive growth.
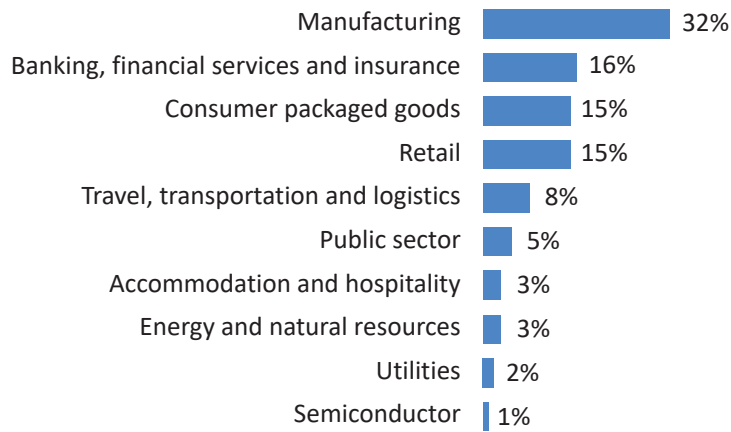
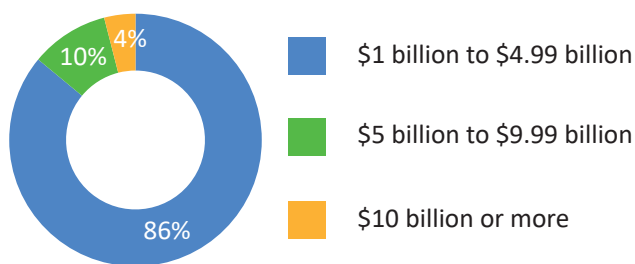## Study demographics of the quantitative research study

Figure 19. Countries in which organisations represented by respondents are located

"It's crucial to get everything rolled out internally and gain ownership. It requires change management and soft skills; everyone needs to embrace it. Externally, all companies must participate, so you need the layer around it. Geopolitics must also play a role here by looking more positively at what's already being done. Legislation focuses on larger companies; the crucial question is how to get smaller companies on board." —Director, net zero production, consumer packaged goods
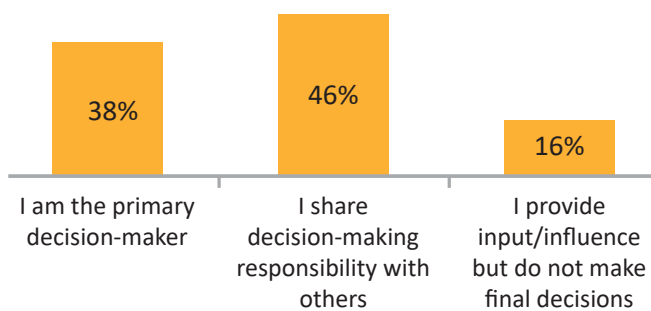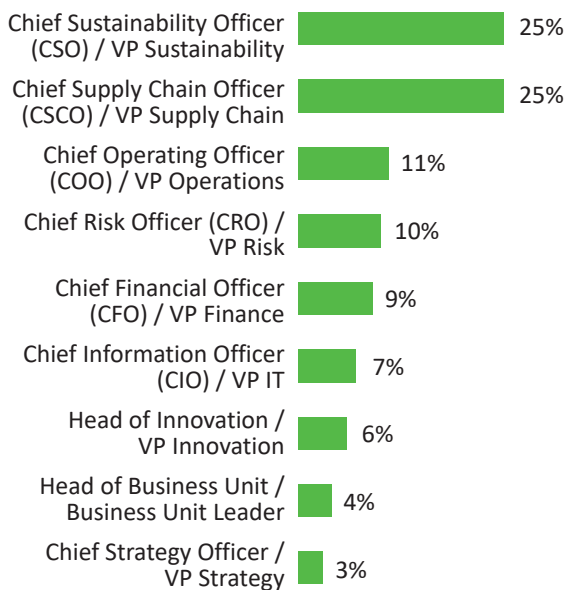
Manufacturing 32%
Banking, financial services and insurance 16%
Consumer packaged goods 15%
Retail 15%
Travel, transportation and logistics 8%
Public sector 5%
Accommodation and hospitality 3%
Energy and natural resources 3%
Utilities 2%
Semiconductor 1%

Figure 20. Industries in which organisations represented by respondents are active

4%
10%
86%

- $1 billion to $4.99 billion
- $5 billion to $9.99 billion
- $10 billion or more

Figure 21. Revenue of organisations represented by respondents

38% — I am the primary decision-maker
46% — I share decision-making responsibility with others
16% — I provide input/influence but do not make final decisions

Figure 22. The role of respondents in decisions about sustainability

Chief Sustainability Officer (CSO) / VP Sustainability 25%
Chief Supply Chain Officer (CSCO) / VP Supply Chain 25%
Chief Operating Officer (COO) / VP Operations 11%
Chief Risk Officer (CRO) / VP Risk 10%
Chief Financial Officer (CFO) / VP Finance 9%
Chief Information Officer (CIO) / VP IT 7%
Head of Innovation / VP Innovation 6%
Head of Business Unit / Business Unit Leader 4%
Chief Strategy Officer / VP Strategy 3%

Figure 23. Job titles of respondents

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Key terminology

AI: Artificial intelligence

CEO: Chief Executive Officer

CFO: Chief Financial Officer

COO: Chief Operating Officer

CSO: Chief Sustainability Officer

CSRD: Corporate Sustainability Reporting Directive (EU specific)

ESG: Environmental, social, and governance

ESRS: European Sustainability Reporting Standards

GHG: Greenhouse gas

GRI: Global Reporting Initiative

ISSB: International Sustainability Standards Board

KPI: Key performance indicator

ML: Machine learning

ROI: Return on investment

RPA: Robotic process automation

SBTi: Science Based Targets initiative

SDG: Sustainable Development Goals

TCFD: Task Force on Climate related Financial Disclosures

UNGC: United Nations Global Compact

Executive champions

Hemakiran Gupta
Global Head - Sustainability Services Practice

Girish Kumar KN
Europe Head, Sustainability Business

Prof. dr. Désirée van Gorp LL.M
Nyenrode Business Universiteit

Prof. dr. Albert Plugge
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About the Sustainability Action Barometer 2026.

The Barometer is a pioneering study that assesses the progress of key industries across the Benelux region in advancing their sustainability ambitions, including Net Zero targets for 2030 and 2050. This year's edition combines quantitative insights from more than 100 senior leaders with 19 in depth interviews with senior executives, providing a clear pulse on organisational commitments, maturity levels, and the challenges shaping sustainability execution within an evolving global climate landscape.

The **quantitative research** was conducted by team of researchers under the leadership of Hemakiran Gupta and Girish Kumar K N of TCS.

The **qualitative research** was led by Prof. dr. Désirée van Gorp and Prof. dr. Albert Plugge, who conducted 19 in depth interviews with senior executives responsible for sustainability strategies

About Tata Consultancy Services Ltd (TCS)

Tata Consultancy Services (TCS) (BSE: 532540, NSE: TCS) is a digital transformation and technology partner of choice for industry-leading organisations worldwide. Since its inception in 1968, TCS has upheld the highest standards of innovation, engineering excellence, and customer service.

Rooted in the heritage of the Tata Group, TCS is focused on creating long-term value for its clients, its investors, its employees, and the community at large. With a highly skilled workforce of 580,000 spread across 55 countries and 202 service delivery centres across the world, the company has been recognised as a top employer in six continents. With the ability to rapidly apply and scale new technologies, the company has built long term partnerships with its clients—helping them emerge as perpetually adaptive enterprises. Many of these relationships have endured into decades and navigated every technology cycle, from mainframes in the 1970s to artificial intelligence today.

TCS sponsors 14 of the world's most prestigious marathons and endurance events, including the TCS New York City Marathon, TCS London Marathon, and TCS Sydney Marathon with a focus on promoting health, sustainability, and community empowerment.

TCS generated consolidated revenues of over US $30 billion in the fiscal year ended March 31, 2025.
For more information, visit **www.tcs.com**

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Nyenrode Business Universiteit is working towards a sustainable future by inspiring our students and participants to develop into responsible leaders. Nyenrode does so by combining academic theory with practical relevance and personal development.

Nyenrode is a private university, founded in 1946 by and for the business community, with a strong international orientation. We offer rigorous academic degree programs as well as short and longer executive programs in the fields of business, management, accountancy, controlling, and tax law. We also conduct research in these areas.

For more information, visit **www.nyenrode.nl**