



Deloitte 2023 CxO Sustainability Report

Global summary

Over the last year, global executives have faced a number of challenges, including economic uncertainty, geopolitical conflict, supply chain disruptions, and talent shortages. While the vast majority of CxOs surveyed share the view that **the world can achieve global economic growth while also reaching climate change goals**, there continues to be a gap between actions and impact as organizations are slower to implement the “needle-moving” actions that embed sustainability into the core of their strategies, operations, and cultures, according to **Deloitte’s survey of more than 2,000 CxOs across 24 countries**.

- The following deck examines **how executives in the Netherlands stand out from their global counterparts** on key themes.

Key global findings:

When asked to rank the issues most pressing to their organizations, **many CxOs rated climate change as a “top three issue,”** ahead of seven others, including innovation, competition for talent, and supply chain challenges. In fact, only economic outlook ranked slightly higher. Many CxOs **(61%) said climate change will have a high/ very impact on their organization’s strategy and operations** over the next three years. **Some 75% said their organizations have increased their sustainability investments** over the past year, nearly 20% of whom say they’ve increased investments significantly.

CxOs are highly worried about climate change but also optimistic about their climate actions:

- **62% said they feel concerned about climate change all or most of the time.**
- Almost all respondents indicated their companies were negatively impacted by climate change in some way over the last year, and **82% of CxOs have been personally impacted.**
- **Yet, 78% feel somewhat or extremely optimistic** that the world will take sufficient steps to avoid the worst impacts of climate change.

Companies are feeling broad pressure to act across stakeholder groups—from the board/management to customers to employees:

- More than half of CxOs said **employee activism on climate matters has led their organizations to increase sustainability actions over the last year**—24% of which said it led to a “significant” increase.
- Regulation is also influential: **65% of CxOs said the changing regulatory environment has led their organization to increase climate action over the last year.**

ORGANIZATIONS ARE ACTING, BUT STRUGGLING TO MOVE THE NEEDLE



While companies are acting, they’re less likely to implement actions that demonstrate they have embedded climate considerations into their cultures and have the senior leader buy-in and influence to effect meaningful transformation.

- For example, **21% of CxOs indicate their organizations have no plans to tie senior leader compensation** to environmental sustainability performance and **30% say they have no plans to lobby government** for climate initiatives.
- Additionally, when asked about how serious certain groups are about addressing climate change, **only 29% of CxOs said they believe the private sector is “very” serious.**
- And **only 46% say that ensuring a “just transition” is “extremely important”** to their organizations, and the view of its importance differs greatly by region and country.

Our report further explores the disconnects between ambition, action, and impact as well as steps CxOs can take to bridge the divide and accelerate progress to a green transition.

The Netherlands profile

- We surveyed **55 executives** in the Netherlands.

THE NETHERLANDS BUSINESS PROFILE:

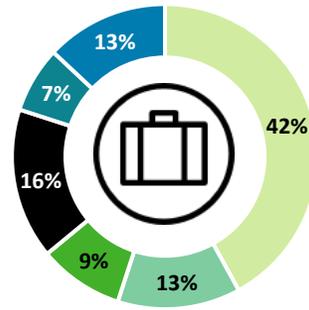


Number of Employees

- <1K: **16%**
- 1K to 4,999: **45%**
- 5K to 9,999: **18%**
- 10K to 19,999: **13%**
- 20K to 49,999: **4%**
- 50K to 99,999: **2%**
- >100K: **2%**

Job Title

- CEO
- CSO
- CFO
- CTO/CIO
- COO
- Other CXOs



Revenue



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



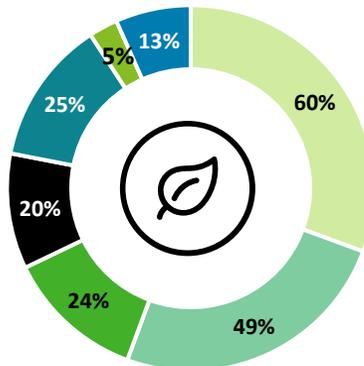
Industry



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

Position(s) at your company responsible for climate goals

- CSO
- CEO
- COO
- CTO/CIO
- CFO
- CMO/CCO
- Other C-suite

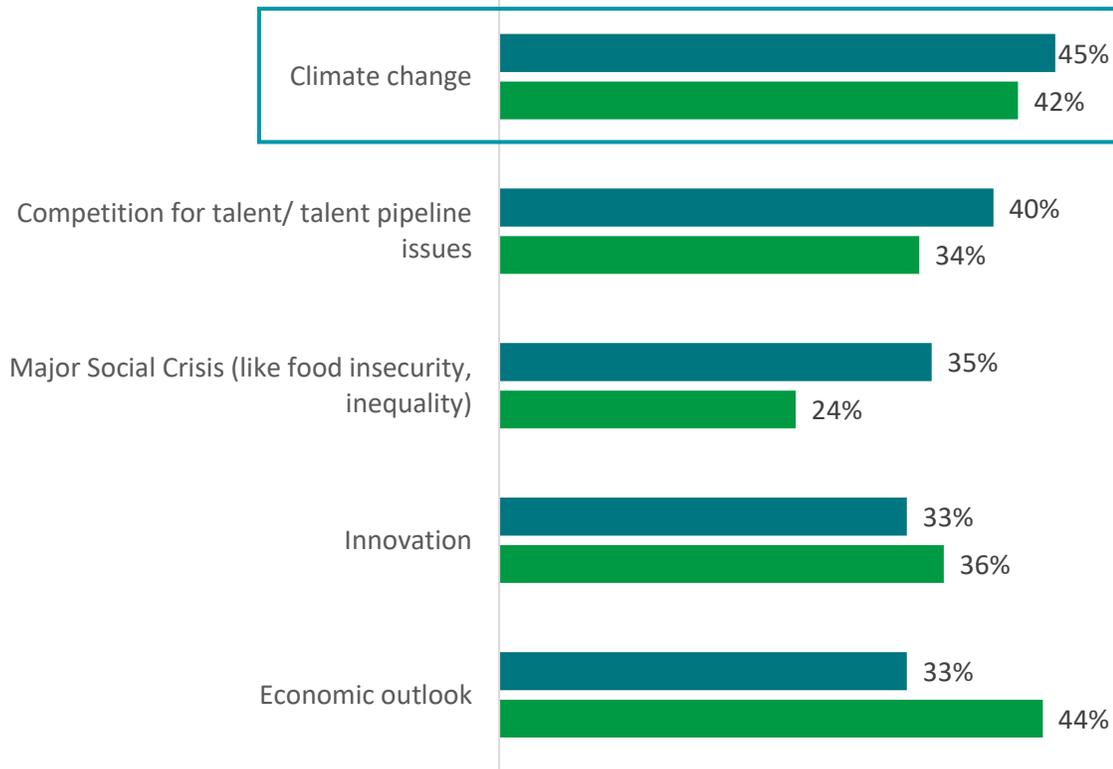


Climate remains a top priority despite other pressing issues

- Climate change topped the list of priority issues for CxOs in the Netherlands (45% called it a “top three priority” compared to 42% of global CxOs). The Netherlands CxOs also ranked “competition for talent/talent pipeline issues” and “major societal crises (like food insecurity and inequality)” high on their list of priorities.
- The importance of climate change is seen in the Netherlands organizations’ investments over the last year: 77% have increased their sustainability investments (slightly higher than the global average of 75%), 13% of which say they’ve increased investments *significantly*. Only 2% of the Netherlands organizations have decreased sustainability investments.



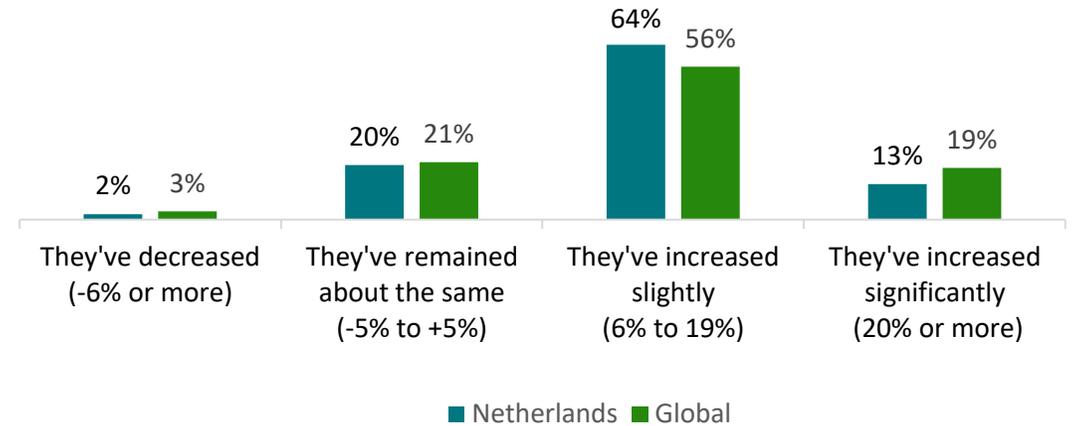
What does your organization see as the most pressing issues to focus on over the next year? (rank in order of importance)



■ % ranked in the Top 3, Netherlands ■ % ranked in the Top 3, Global



How have your sustainability investments changed over the last year?



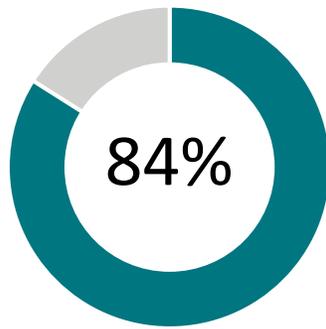
■ Netherlands ■ Global

Organizations feel the impact of climate change

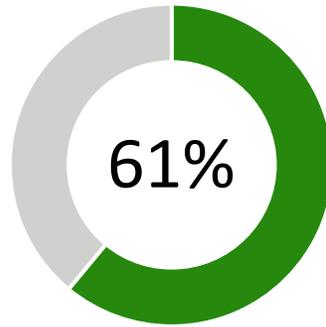
- 84% of the Netherlands CxOs say climate change is likely to impact their companies' strategies and operations to a "high/very high" degree over the next three years, which is significantly higher than the global average.
- Almost all respondents indicated the effects of climate change have negatively impacted their organizations over the past year. The Netherlands organizations are more likely than the global average to feel the following negative effects of climate change: regulation of emissions, operational impacts of climate-related disasters/weather events, and reputational damage.



To what degree do you expect climate change to impact your company's strategy and operations over the next three years? *Selected high/very high*



Netherlands



Global



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

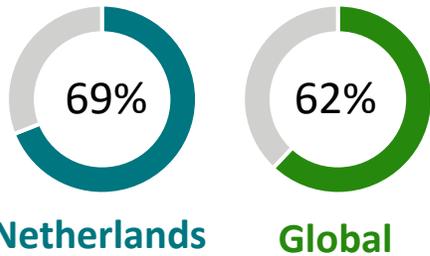
Netherlands	Global	
45%	43%	Regulation of emissions
44%	41%	Operational impact of climate-related disasters/ weather events
42%	33%	Reputational damage
40%	46%	Scarcity/cost of resources
36%	45%	Changing consumption patterns or preferences (e.g., impact of climate change on customers/clients)
35%	40%	Cost of climate change mitigation
35%	38%	Increased insurance costs or lack of insurance availability

CxOs are worried about climate change but optimistic about climate action

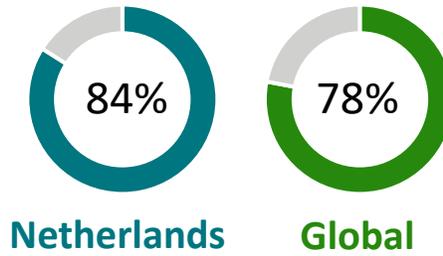
- 84% of the Netherlands CxOs are optimistic that the world will take sufficient steps to avoid the worst impacts of climate change. Despite this optimism, 69% say they feel concerned about climate change all/most of the time. The Netherlands CxOs are also optimistic (more so than the global average) that the world can achieve global economic growth while also reaching climate change goals.
- 76% of the Netherlands CxOs (compared to 82% of global) have been personally impacted by climate events in some way with extreme heat, water restrictions, and more frequent and powerful storms the most frequently-cited issues.



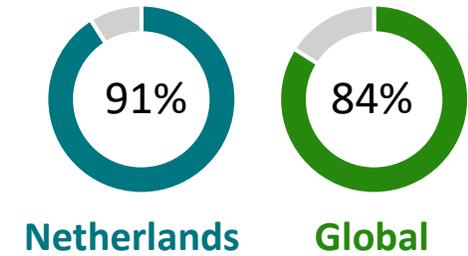
Leaders who say they **feel concerned about climate change** all or most of the time



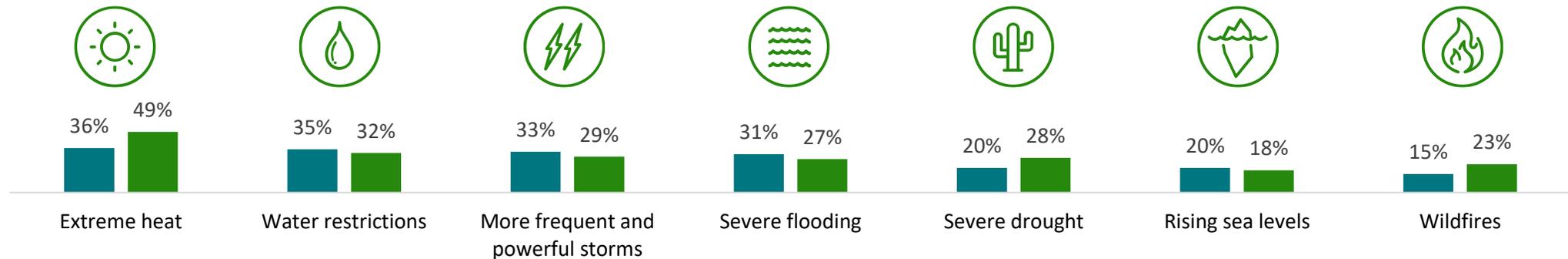
Leaders who are somewhat/ extremely optimistic **the world will take sufficient steps to avoid the worst impacts of climate change**



Executives who agree/ strongly agree **the world can achieve global economic growth while also reaching climate change goals**



Have you personally been impacted by any of the following in the last year? *(select all that apply)*



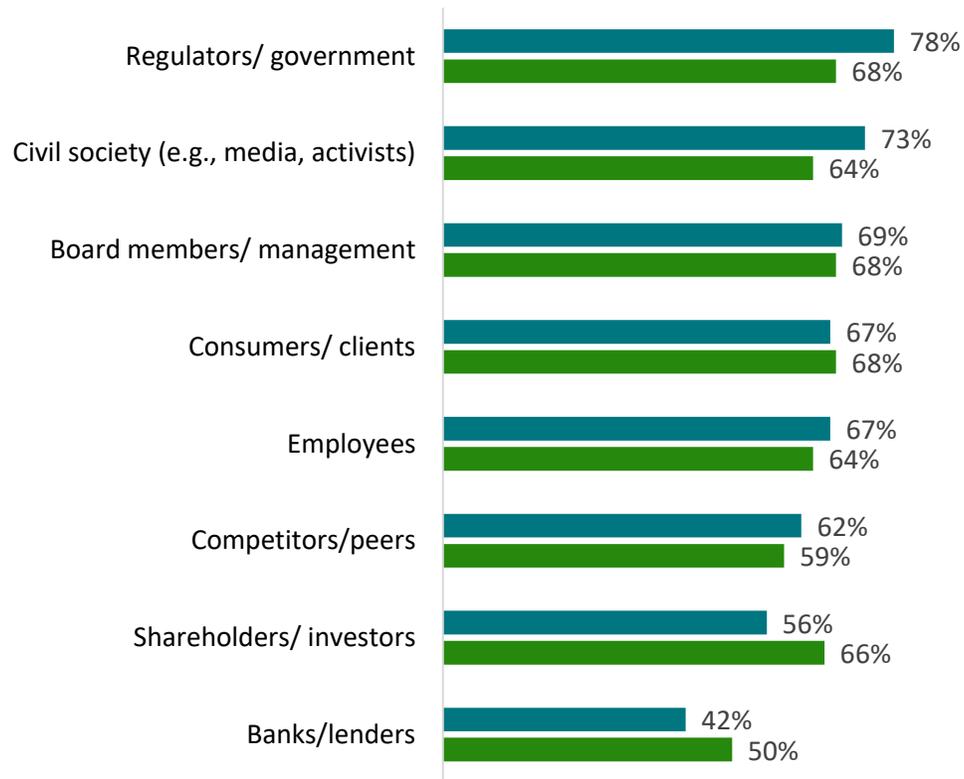
Companies feel broad pressure from stakeholder groups

- The Netherlands CxOs (like their global counterparts) are feeling a moderate-to-large degree of pressure to act on climate change from many different stakeholder groups. In fact, the Netherlands CxOs are much more likely than the global average to say they're feeling pressure from regulators/government and civil society.
- Approximately half of the Netherlands CxOs (a lower percentage than the global average) also say the changing regulatory environment and employee activism have increased their organizations sustainability actions over the past year.



To what extent does your company feel pressure to act on climate change from your stakeholders?

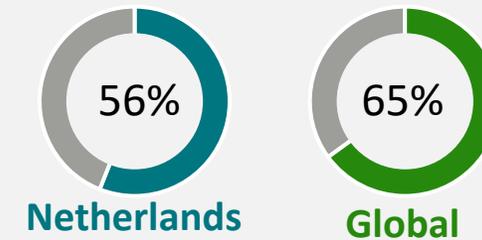
(select all that apply, to a moderate/large extent)



■ Netherlands ■ Global



Leaders who selected **changing regulatory environment** as a matter that slightly/significantly increased their organization's sustainability action over the last year.



Leaders who selected **employee activism** as a matter that slightly/significantly increased their organization's sustainability action over the last year.

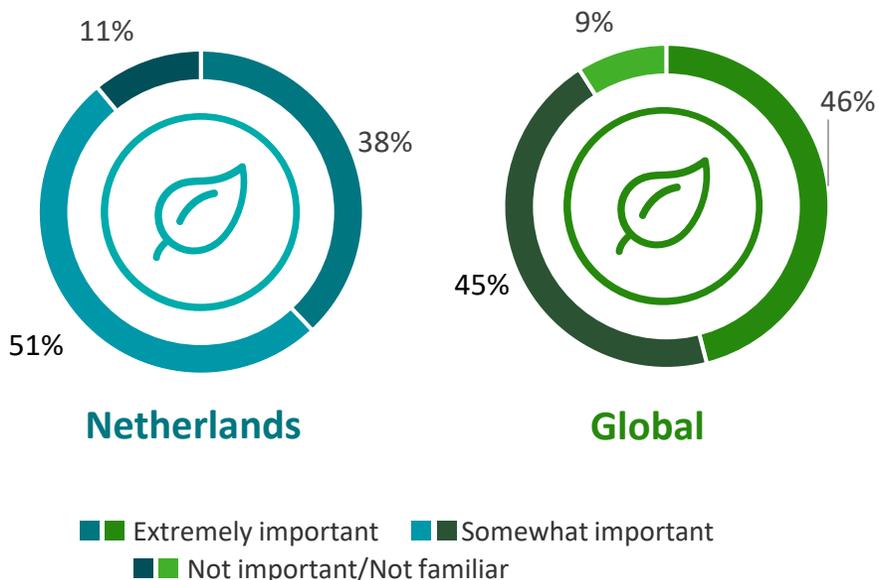


Many organizations express concern about a “just transition”, but focus uneven among countries

- 38% of the Netherlands CxOs say that ensuring a “just transition” is extremely important to their organizations compared to 46% of global executives.
- The Netherlands ranks 16th among the 24 countries we polled when rating a just transition as “extremely important.”

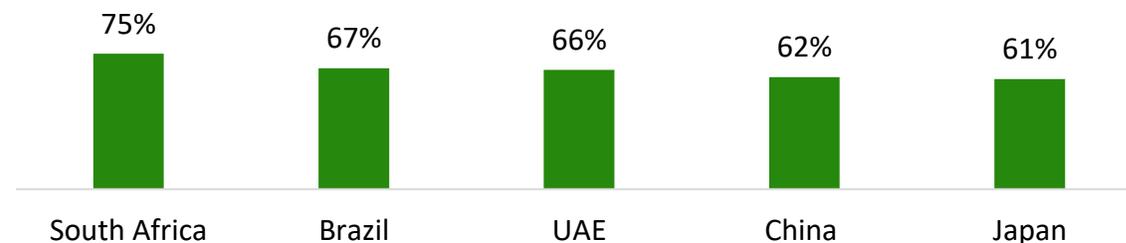


To what extent does climate equity or ensuring a “just transition”* factor into your company’s sustainability efforts?

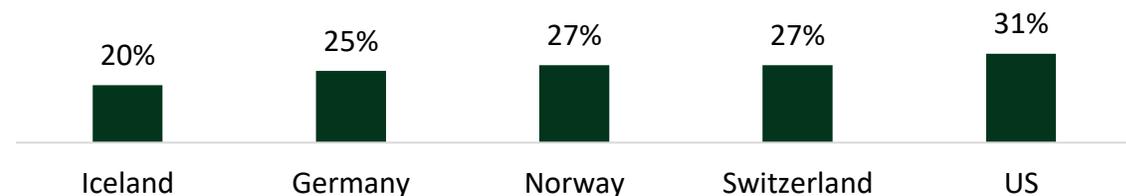


*A just transition seeks to ensure that the substantial benefits of transitioning to a green economy are shared widely, while also supporting those who stand to lose economically—whether countries, regions, industries, communities, workers, or consumers

▲ Countries most likely to see this issue as extremely important



▼ Countries less likely to see this issue as extremely important



The Netherlands ranks 16th among countries rating a “just transition” as extremely important

While organizations are acting, they're struggling to move the needle

- The Netherlands companies are more likely than the global average to be focused on expanding or creating senior positions/functions responsible for driving sustainability initiatives. They're less likely than the global average to be undertaking some of the "needle-moving" actions defined by Deloitte's analysis, including developing new climate-friendly products or services and updating/relocating facilities to make them more resistant to climate impacts. However, they are much more likely to tie senior leader compensation to climate performance.
- The Netherlands CXOs are slightly more optimistic than the global average about the seriousness of the private sector and governments' commitments to address climate change.

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



TOP ACTIONS TAKEN

55%

Using energy-efficient or climate-friendly machinery, technologies, and equipment
Global = 54%

51%

Using more sustainable materials (e.g., recycled materials, lower emitting products)
Global = 59%

51%

Expanding an existing position (e.g., CFO) to incorporate leadership on sustainability initiatives
Global = 45%

49%

Creating a senior position (e.g., Chief Sustainability Officer) or function responsible for driving sustainability initiatives
Global = 45%

47%

Increasing the efficiency of energy use (e.g., energy efficiency in buildings)
Global = 59%

47%

Including monitoring of climate risk in corporate governance processes
Global = 44%



HARDER TO IMPLEMENT, NEEDLE-MOVING ACTIONS*

**As defined by Deloitte's analysis*

47%

Tying senior leaders' compensation to environmental sustainability performance
Global = 33%

45%

Requiring suppliers and business partners to meet specific sustainability criteria
Global = 44%

40%

Developing new climate-friendly products or services
Global = 49%

36%

Updating/relocating facilities to make them more resistant to climate impacts
Global = 43%

36%

Incorporating climate considerations into lobbying/political donations
Global = 32%



Netherlands Global
35% 29%

said they believe the private sector is "very" serious



Netherlands Global
36% 28%

said they believe governments around the world are "very" serious

Benefits of climate strategy and obstacles that impede impact

- The Netherlands CxOs see employee recruitment/retention, brand recognition, innovation around offerings and operations, and customer satisfaction as the top benefits of their current sustainability efforts. Like the global findings, the Netherlands CxOs ranked “addressing climate change” fifth on the list of benefits. Like the global population, the Netherlands CxOs are also much less likely to see the more tangible financial benefits of their current climate efforts.
- The Netherlands CxOs cite focus on near-term business issues, lack of political support and action, lack of talent and expertise, and lack of functions or executives specifically responsible for leading sustainability efforts as their top barriers to more climate action.



I strongly believe my company’s current sustainability efforts have/will have a positive impact on the following
(select top five)

▲ TOP FIVE BENEFITS SELECTED

55%

Employee recruitment and retention
Global = 38%

47%

Brand recognition and reputation
Global = 52%

47%

Innovation around offerings and operations
Global = 43%

47%

Customer satisfaction (e.g., meeting client expectations)
Global = 44%

45%

Addressing climate change
Global = 40%

▼ BOTTOM FIVE

29%

Long-term resilience and financial performance
Global = 37%

27%

Employee moral and well-being
Global = 42%

24%

Investor returns
Global = 31%

20%

Cost of investment
Global = 24%

20%

Revenue from longstanding businesses
Global = 23%



Top five obstacles to driving sustainability efforts (Select top two)





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