

Sustainability

A modern interior space with a large window offering a panoramic view of a city skyline and a river. In the foreground, there is a blue armchair and a small black table with a glass of water. The city view includes several tall buildings, a river with a bridge, and greenery. The sky is blue with some clouds.

**Sustainability ambitions
face the test of execution
and measurable value**

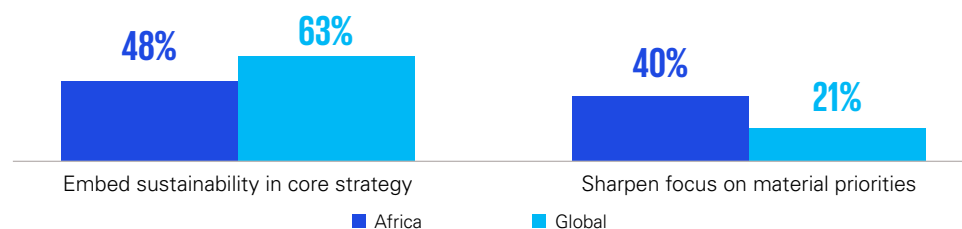
Sustainability

From ambition to measurable value

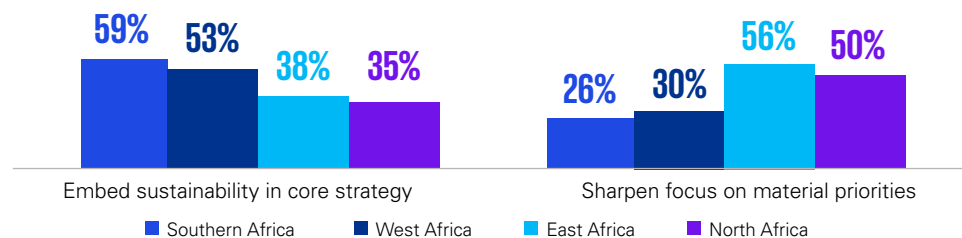
Africa at a turning point

African CEOs are not stepping back from sustainability. Survey responses point to greater discipline in where sustainability creates business value, with sharper prioritisation, growing execution focus and pressure to demonstrate measurable outcomes.

Forty-eight percent of African CEOs are embedding sustainability more deeply into core business strategy, while 40 percent are sharpening their focus on the sustainability issues most critical to business performance. Compared with Global Core CEOs, however, deeper strategic integration remains less common, at 48 percent versus 63 percent.



The regional evidence also shows that this transition is not uniform. Southern Africa reports the strongest deeper integration at 59 percent, followed by West Africa at 53 percent. East Africa and North Africa show a more selective response: 38 percent of CEOs in East Africa and 50 percent in North Africa are focusing more tightly on material sustainability issues, while deeper strategic integration stands at 26 percent and 35 percent, respectively. For Southern Africa and West, focusing more tightly on material sustainability issues is lower at 26 percent and 30 percent respectively.



Taken together, the findings suggest that sustainability ambition is becoming more focused and actionable, with CEOs increasingly prioritising the issues most relevant to resilience, investment and long-term performance.

Sustainability remains strategic, but business relevance is sharpening

Across the survey, African CEOs increasingly frame sustainability through the lens of resilience and commercial value. Energy provides a clear example, with African CEOs somewhat more likely than their global peers to prioritise energy-demand optimisation (41 percent versus 37 percent) and dedicated generation or storage capacity (15 percent versus 13 percent). At the same time, fewer African CEOs plan to diversify towards renewable or lower-carbon external supply (40 percent versus 49 percent globally).

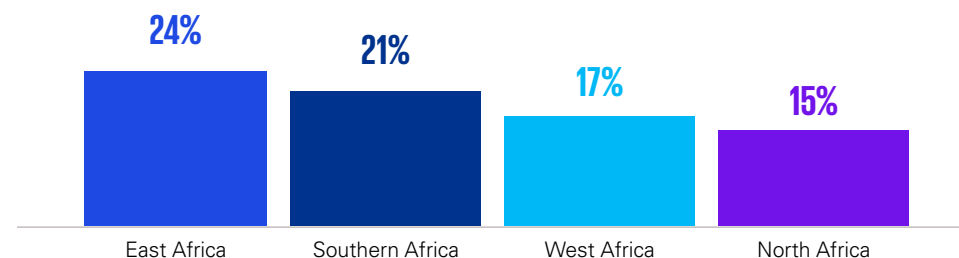
Regional priorities provide useful context rather than separate stories. West African CEOs place relatively greater emphasis on energy optimisation and dedicated generation, Southern African CEOs report stronger strategic integration and confidence in 2030 net-zero delivery, and East and North African CEOs are more strongly prioritising the sustainability issues they consider most material to their businesses.

From commitment to investment discipline

The more demanding test is whether sustainability changes investment decisions. Across Africa, only 22 percent of CEOs comprehensively incorporate sustainability costs and potential returns into every major capital decision, compared with 29 percent globally. Another 49 percent consider sustainability in selected decisions.

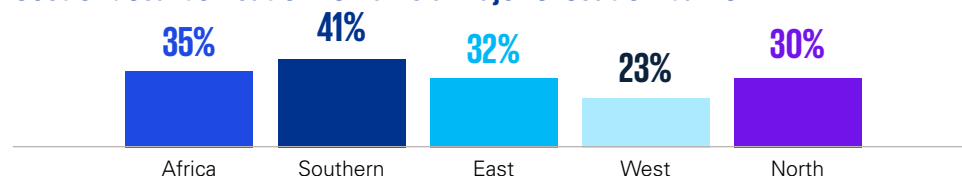
The regional results point to a shared execution challenge across the surveyed markets, with comprehensive integration into major capital decisions remaining relatively limited across all four regions. The strategic case for sustainability is increasingly evident in CEO responses, while consistent integration into investment decisions remains less mature.

Integration of sustainability into major capital decisions



Cost makes the execution challenge more acute. Thirty-five percent of African CEOs identify the cost of decarbonisation as their greatest barrier to climate ambition, compared with 16 percent globally. Across the regions, the corresponding shares are 41 percent in Southern Africa, 32 percent in East Africa, 30 percent in North Africa and 23 percent in West Africa.

Cost of decarbonisation remains a major execution barrier



Reporting capability is improving, but disclosure should not be the destination

CEO confidence in sustainability reporting readiness is strengthening. Sixty-five percent of African CEOs say their organisations have the capability to meet new sustainability reporting standards, up from 55 percent in 2025. At the regional level, East Africa leads at 68 percent, while Southern Africa and North Africa are broadly aligned with the continental result at 65 percent, and West Africa stands at 60 percent.

CEO confidence in sustainability reporting readiness has increased



This suggests that the growing reporting and regulatory agenda is being matched by greater confidence in organisations' ability to respond.

Reporting readiness provides more than a compliance foundation. The governance, data, processes and controls required to produce reliable sustainability information can also strengthen how organisations monitor performance, identify risks and opportunities, and support management and investment decisions. The value of reporting therefore lies not only in producing a compliant disclosure, but in making sustainability information more reliable and decision-useful.

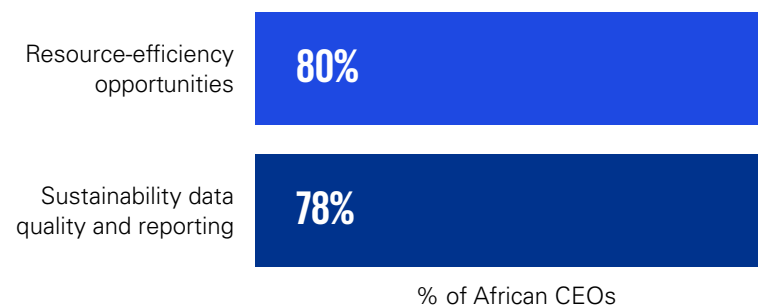
However, confidence in reporting capability should not be confused with mature integration. Only 22 percent of African CEOs comprehensively incorporate sustainability costs and potential returns into every major capital decision, while a further 49 percent do so in selected decisions. The opportunity is to connect improving reporting capability more closely with the way sustainability information is used across strategy, capital allocation and performance management.

AI can accelerate delivery, but its footprint must be managed

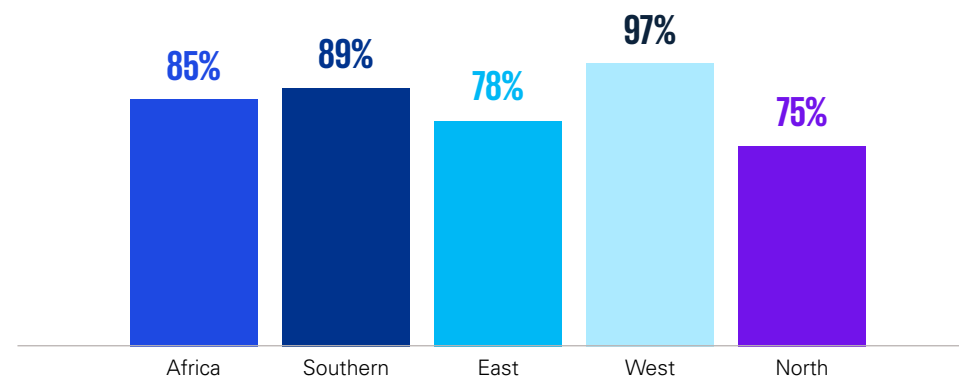
African CEOs identify AI as a practical enabler of sustainability execution. According to the Africa survey, 80 percent see potential for AI to identify resource-efficiency opportunities, while 78 percent believe it can improve sustainability data quality and reporting. Better quality and more timely sustainability information can strengthen performance monitoring and provide a stronger evidence base for operating and investment decisions.

The opportunity comes with a clear responsibility. Across Africa, 85 percent of CEOs report organisational concern about the environmental impact of increased AI use. The level of concern is particularly high in West Africa, at 97 percent, and Southern Africa, at 89 percent, compared with 78 percent in East Africa and 75 percent in North Africa. The findings therefore point to a dual priority: capture AI's potential to improve sustainability information and operational efficiency, while managing the technology's own energy and environmental impact.

AI can support resource efficiency and sustainability information



Concern about AI's environmental impact



Regional perspectives

Africa at a turning point

Regional findings show different responses to sustainability pressures, but a shared execution challenge: converting ambition into practical, measurable business outcomes.

Southern Africa

Southern Africa combines deeper strategic integration with a pronounced implementation burden. Fifty-nine percent of CEOs are embedding sustainability more deeply into core business strategy, while 57 percent are confident they can meet their 2030 net-zero goals. However, only 21 percent comprehensively integrate sustainability costs and potential returns into every major capital decision. Regulatory complexity is also particularly evident, with 92 percent reporting moderate or significant challenges arising from differences in sustainability regulation and expectations across markets, while 41 percent identify the cost of decarbonisation as the greatest barrier to achieving climate ambitions. Together, these findings put the focus on translating strategic conviction into consistent investment criteria and locally responsive execution.

West Africa

West Africa reflects a sustainability agenda shaped by strategic integration alongside energy and supply-chain considerations. Fifty-three percent of CEOs are embedding sustainability more deeply into core business strategy, while 47 percent plan to optimise energy demand through efficiency measures and 20 percent plan to add dedicated generation, storage or backup capacity. Supply-chain decarbonisation is particularly prominent, with 30 percent identifying its complexity as the greatest barrier to climate ambitions, compared with 19 percent across Africa. The findings highlight the importance of linking energy resilience to credible transition pathways while strengthening supplier engagement, traceability and sustainable innovation.

East Africa

East Africa is refocusing rather than retreating. Fifty-six percent of CEOs are sharpening their focus on the sustainability issues most critical to the business, while 38 percent are embedding sustainability more deeply into core strategy. Capital discipline is comparatively stronger, with 24 percent comprehensively integrating sustainability costs and potential returns into every major capital decision and 50 percent considering them in some capital decisions. There are also signs of active sustainability integration into innovation, with 54 percent incorporating environmental impact assessments and mitigation strategies into innovation and product development plans, while 60 percent engage with regulators and policymakers to stay ahead of potential regulatory changes affecting innovation. The findings point to an opportunity to move material sustainability priorities more consistently into enterprise-wide capital planning and execution.

North Africa

North Africa shows a more selective, commercially focused approach to sustainability. Fifty percent of CEOs are sharpening their focus on the sustainability issues most critical to the business, while 35 percent are embedding sustainability more deeply into core strategy. Only 15 percent comprehensively integrate sustainability costs and potential returns into every major capital decision, while a further 35 percent consider them in some capital decisions. The cost of decarbonisation is the leading climate barrier at 30 percent, followed by the lack of appropriate technology solutions at 20 percent and skills and expertise at 15 percent. At the same time, 95 percent see potential for AI to support resource efficiency, highlighting an opportunity to translate this more focused sustainability agenda into operational gains and stronger investment discipline.

Sustainability is increasingly becoming a business imperative for African organisations. The real test is how effectively leaders embed it into capital decisions, strengthen operational resilience and create long-term value.”



Benson Ndung'u

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The CEO agenda

For African CEOs, the survey points to a next phase of sustainability defined less by the number of commitments made and more by the quality of the decisions behind them. Organisations that connect sustainability priorities to capital allocation, operational resilience, reliable data and measurable performance will be better placed to translate ambition into outcomes, while using technologies such as AI where they can demonstrate clear value.