How does EHS investment drive clear commercial value?

Global EHS Maturity Study

August 2025

The better the question.
The better the answer.
The better the world works.

Shape the future with confidence

From our work with organizations around the world, we have seen time and time again that investment in environment, health and safety (EHS) delivers value well beyond risk management. While specific outcomes may vary across organizations, several common themes have increasingly emerged, demonstrating the tangible benefits of such investments. One thing has been made abundantly clear: An effective EHS function is anything but a cost center.

So what makes an effective EHS function? This *EY Global EHS Maturity Study* spotlights the numerous advantages businesses achieve from strategically investing in EHS. Chief among these is heightened commercial value, with strong EHS performance improving customer relationships and brand positioning. Other notable opportunities include greater organizational resilience and operational efficiency, which boost productivity and give organizations a competitive edge in the marketplace.

While this research builds on last year's study, it takes a broader approach in its assessment of the commercial impact of EHS investment. EY teams interviewed not only EHS practitioners but also C-suite leaders to obtain a blended and balanced view on the perceived value of EHS investments, how this value is recognized, and the decision-making processes involved in these investments.

Our teams are proud to present this study as a tool to guide your own thought process around prioritizing EHS investments and maturing your organization's EHS function to enable you to maximize the value it can create for your business. EHS professionals have an exciting opportunity to help their organizations advance, expanding their own influence in the process. They can use this research to tell a powerful story for organization leaders and link EHS priorities with strong organizational outcomes.

EHS is not only a means of managing risk but also an opportunity to create enduring value — for stakeholders, shareholders, society and the planet. So what should organizations do to maximize the value from their investment in EHS and establish themselves as the leaders?

Read this study and you'll find out.

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Executive summary

Of the organizations profiled for the research:

65% state that their organization's employee health and safety initiatives have contributed to increased commercial value.

79% say their EHS approach has resulted in marked operational efficiency improvements.

78% expect EHS expenditure to increase over the next three years.

EY teams believe that effective EHS management can be a strategic source of value to organizations because EHS functions support organizations in enhancing their reputations, operating more efficiently, complying with their legal obligations and – most importantly – delivering on their ethical commitment to safeguard people and the planet.

This research explores the role of EHS as a strategic enabler and a foundation for value creation. Specifically, it considers the extent to which organizations embed EHS into their business strategy and highlights the various commercial benefits they derive from their investment. It also examines the likely future trajectory of EHS investment and the practical challenges facing EHS professionals when implementing their initiatives.

As this research shows, strong EHS performance delivers clear commercial benefits to organizations, underlining the relationship between EHS maturity and overall performance. In a highly uncertain world, it puts forward a compelling business case for even greater strategic investment in EHS.

For more information on the methodology, see "About the research" on page 31.

Key findings

1 Investment in EHS drives commercial value through reputational and operational efficiency benefits

Proactive EHS initiatives build significant trust among stakeholders, including customers, investors and regulators. The result is increased customer loyalty and public confidence. These reputational benefits in turn create long-term commercial value, even if they don't lead to immediate financial gains. However, the direct link between reputation and profitability is often unclear and not always acknowledged.

More than two-thirds of government and public sector respondents (68%) believe their EHS performance enhances their organization's reputation and trust among stakeholders. Furthermore, 77% of nongovernment and public sector organizations agree that investors are more attracted to their organization because of their approach to EHS.

2 Organizations that lead in EHS investment reap the benefits

EHS presents huge opportunities to drive better business performance – which is why some recognize it as a strategic imperative for organizations.

Those that have been strategically investing in EHS over time (EHS leaders) demonstrate stronger outcomes than those with more reactive approaches. These outcomes can be seen in areas including strategic focus and leadership, technology, and reputational and operational benefits. Organizations that lead in EHS investment are significantly more likely to say their initiatives for employee health and safety have contributed to increased commercial value (81% compared with 59% of other respondents).

For more on how the EHS leaders were identified, see "About the research" on page 32.

3 EHS is seen to boost business resilience

Organizations that invest in comprehensive EHS programs report improved agility and efficiency during disruptions. As a result, they are better equipped to navigate unexpected upheaval.

Over two-thirds of respondents (67%) say their organization's approach to EHS initiatives has led to greater agility during uncertain times, while 12% believe their organization has benefited from reduced downtime in recent challenging scenarios.

4 Technology investments in EHS are set to increase but still remain low

Organizations plan to increase their investments in digital systems, including EHS platforms, advanced analytics and artificial intelligence (AI). Three-quarters (75%) of organizations expect to increase their investment in EHS digital systems over the next three years, and 71% plan to increase their investment in advanced data analytics and AI for EHS risk mitigation.

Organizations agree that technology can help them to identify weaknesses in their EHS practices. Four out of five organizations (81%) currently using digital EHS tools say these tools enable them to effectively identify and address potential blind spots.

Yet while technological tools enable real-time decision-making and better risk mitigation, only 20% have a single, unified EHS platform. Furthermore, investment in EHS technology is not yet viewed as a priority for many organizations. Just 27% of respondents rank it among their organization's top three priority areas of focus over the past 12 months.

5 Budget constraints hinder EHS investment in some organizations

Some organizations are grappling with the challenge of balancing proactive, strategy-driven investments in EHS with practical constraints such as budgets and evolving compliance and regulatory requirements. They may also lack adequate technological tools to support and analyze the effectiveness of their initiatives.

Building value through EHS

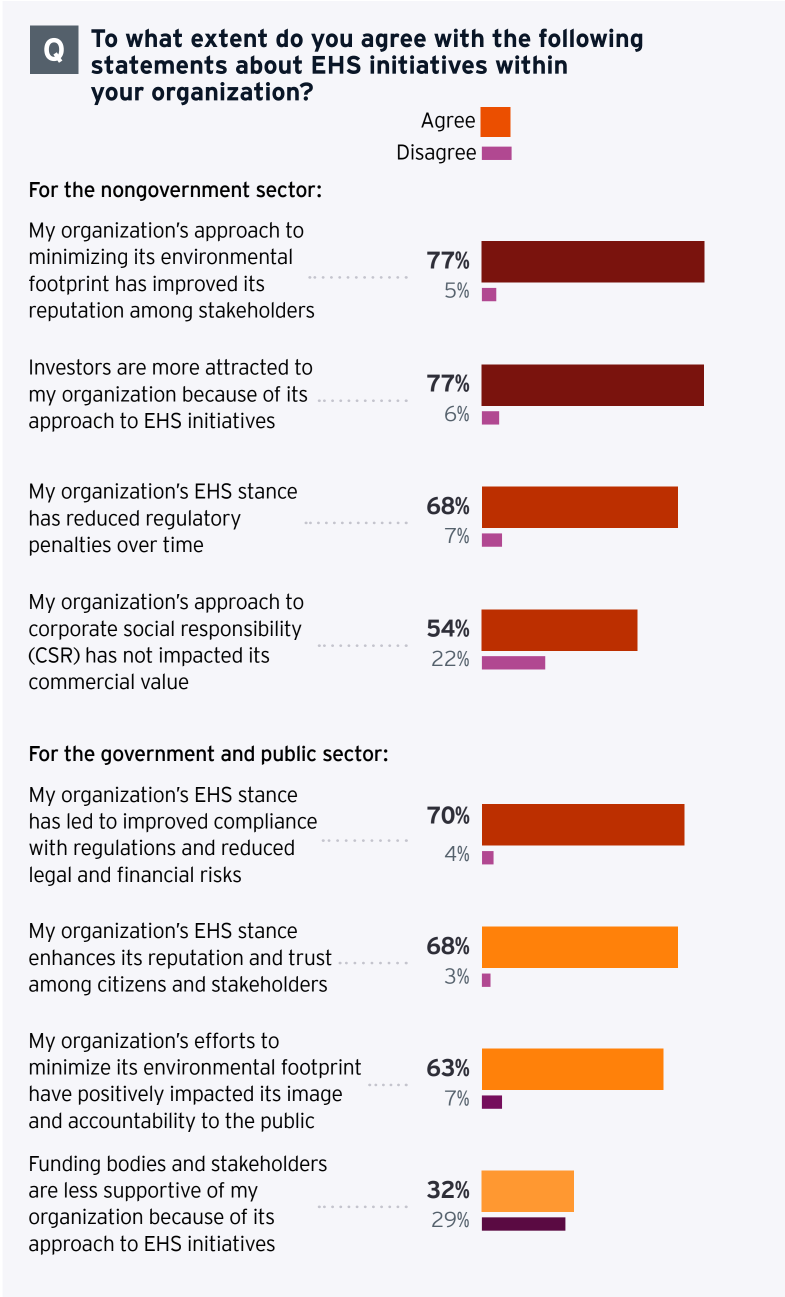
Mature EHS functions enable organizations to gain competitive advantage in a complex and rapidly changing world, where new risks and opportunities are emerging all the time.

Organizations with a mature EHS capability can meet evolving regulatory requirements, respond to changing societal expectations and mitigate their impact on the environment – while simultaneously gaining major operational benefits in terms of greater efficiency, productivity and resilience.

This research highlights that proactive EHS investment positively impacts several aspects of commercial value. These include stakeholder value, commercial value, operational efficiency and organizational resilience. Notably, nearly two-thirds of respondents (65%) say that employee health and safety initiatives have helped to boost their organization's commercial value.

Stakeholder value

It is clear from the research that proactive investment in EHS initiatives enables organizations to build trust with their stakeholders, including customers and investors. Over two-thirds (68%) of government and public sector organizations believe their EHS stance enhances their organization's reputation and trust among citizens and stakeholders. That number rises in nongovernmental organizations, where 77% agree that their approach to minimizing their environmental footprint has boosted their reputation among stakeholders that investors are more attracted to their organization because of its approach to EHS initiatives. Nevertheless, just 16% cite increased investor interest as one of the top three benefits experienced from their EHS initiatives. This suggests that organizations could be more effective at telling a compelling EHS story to investors, particularly in terms of how EHS enhances their long-term value proposition.



Increased customer loyalty ranks as the top reputational benefit by 28% of nongovernment respondents (with 47% placing it among their top three benefits). This is likely to reflect evolving societal expectations, with customers wanting to transact with ethical organizations that operate responsibly. Customers can use published data on both environmental and health and safety performance to inform their purchasing. The next most important reputational benefits are fewer regulatory penalties (ranked top by 16%, with 30% placing this among their top three) and improvement in sustainability index ratings (ranked top by 14%, with 43% placing this among their top three).

Enhanced public trust and confidence in government services is the top reputational benefit for 41% of government and public sector organizations, with 71% placing it among their top three. The second-highest reputational benefit for government and public sector organizations (in the top three for 44%) is an enhanced ability to attract and retain a skilled workforce. This is a significant consideration, since employees are more likely to want to join, and stay with, an organization that prioritizes health and safety and meets its environmental obligations.

Yet despite its capacity to boost relationships with stakeholders, just 22% of respondents cite reputation as a reason why they expect their organization's environment and health and safety spending to increase in the next three years. This highlights a critical opportunity for organizations to more effectively articulate the value of EHS investments, showcasing how they not only enhance reputation but also contribute to a compelling long-term value proposition for investors.

Q **What are the primary reputational benefits your organization has experienced from its investment in EHS initiatives?** (Government and public sector)

Top five responses ranked by preference

	Rank 1	Rank 2	Rank 3
Enhanced public trust and confidence in government services	41%	14%	16%
Enhanced ability to attract and retain a skilled workforce	13%	20%	11%
Enhanced resilience to environmental and public health crises	12%	18%	16%
Improved compliance with national and international EHS standards	9%	18%	11%
Positive impact on national or regional sustainability goals	7%	13%	14%

Q **What are the primary reputational benefits your organization has experienced from its investment in EHS initiatives?** (Nongovernment sector)

Top five responses ranked by preference

	Rank 1	Rank 2	Rank 3
Increased customer loyalty	28%	10%	9%
Fewer regulatory penalties	16%	9%	5%
Improvement in sustainability index rankings	14%	19%	9%
Increased positive media coverage	11%	11%	8%
Increased positive stakeholder engagement with employees, contractors, customers and investors	9%	12%	14%

CASE STUDY

EHS as an enabler of transition in oil and gas

A global oil and gas company is transitioning to become an energy company with a portfolio that includes renewables. An EHS executive at the company says it has invested significantly in EHS over time to support this transition while safeguarding its reputational integrity, boosting operational efficiency, improving organizational resilience and driving commercial value.

To safeguard its reputational integrity, the company is focused on both the safety and environmental aspects of EHS performance. It wants to be seen as a modern and adaptable company – which involves taking a strategic approach to EHS beyond risk mitigation. It engages with the local community to address perceptions and impacts.

The company is embracing new technologies and methodologies such as intelligent personal protective equipment (which alerts workers if they enter areas requiring specific protective gear without wearing it correctly). Additionally, it is using AI to analyze data and predict potential incidents based on historical statistics and unsafe conditions. This allows it to identify weaknesses and implement preventative measures.

Investments in EHS are seen as crucial for maintaining organizational resilience. The company recognizes that effective EHS management requires continuous improvement to adapt to changes in the operating environment, so it monitors and reports on its investments in EHS.

The company uses EHS to drive commercial value by emphasizing EHS initiatives in its market positioning so that it appeals to environmentally conscious consumers. This includes promoting its green credentials and sustainable practices, which are highlighted in its commercial offerings.

Operational efficiency

Investment in EHS initiatives delivers clear efficiency benefits, making EHS an essential element of organizational excellence. Nearly four out of five respondents (79%) say their EHS approach has resulted in marked operational efficiency improvements. Organizations with high EHS maturity are less likely to experience accidents, injuries, downtime and damage to equipment.

Productivity tops the list of improvements, with 14% citing greater productivity as their No. 1 efficiency benefit of EHS investment (and 34% placing it in their top three). A close second, incident reduction is cited by 13%, which may suggest a link between the improved productivity and safer working environments. This is because processes that are undertaken safely, and without causing an environmental incident, are ultimately the most efficient processes. Other highly ranked improvements are incident reduction (top for 13%, with 30% placing it in their top three) and improved innovation (top for 9%, with 24% placing it in their top three). The results also reflect a number of benefits linked to employee experience and behavior. This suggests that EHS initiatives can be leveraged for achieving priorities relating to businesses' workforces.

Commercial value

Among the indicators of reputational benefits of investing in EHS, the commercial value generally ranks lower than stakeholder value. That is not to say that financial value is lacking: 16% of nongovernment respondents cite increased revenue and cost savings among their top three benefits. A similar number (17%) include increased competitive advantage in their top three, and 10% highlight increased market share. For government and public sector organizations, increased efficiency in public service delivery ranks seventh overall, with 19% of respondents including it in their top three.

The fact that financial indicators of commercial value do not rank more highly as a reputational benefit suggests that EHS professionals could be more proactive about making the link between EHS maturity and financial performance. Mechanisms should be put in place to measure this link from the start of projects, since it is very difficult to set them up retrospectively.

By establishing robust EHS protocols, organizations can significantly reduce the risk of non-compliance, which often leads to substantial fines and fees. These financial penalties not only strain a company's resources but can also tarnish its reputation, leading to a loss of customer trust and market position.

Q What are the primary operational efficiency benefits your organization has experienced from its investment in EHS initiatives?

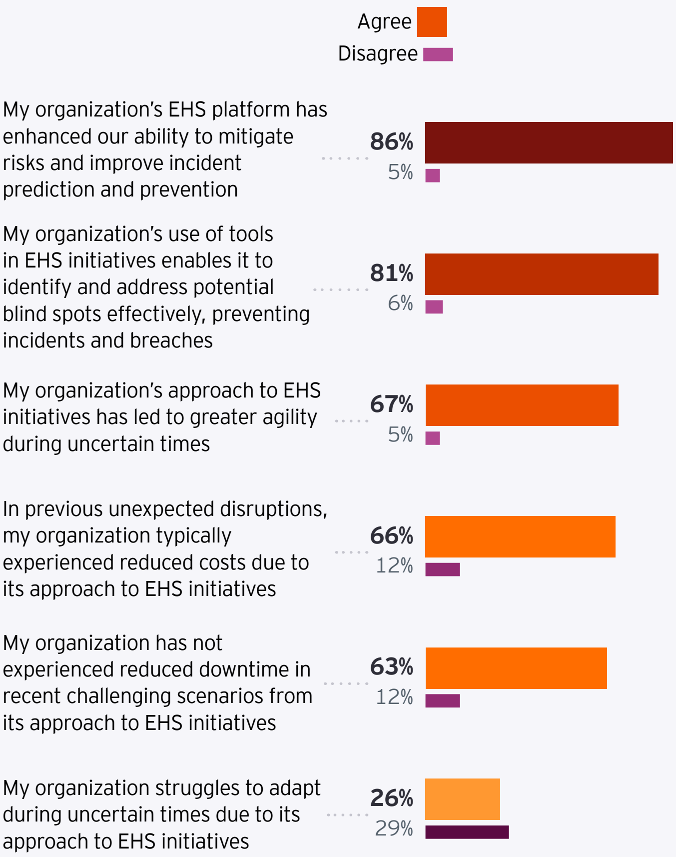
Top 10 responses ranked by preference

	Rank 1	Rank 2	Rank 3
Improved productivity	14%	6%	13%
Incident reduction	13%	12%	5%
Improved innovation	9%	7%	8%
Reduced operation and maintenance costs	8%	8%	7%
Improved employee satisfaction	7%	8%	9%
Improved employee morale	6%	7%	6%
Improved employee retention	6%	6%	7%
Increased revenue	5%	5%	7%
Higher employee engagement	5%	7%	10%
Improved workplace culture	5%	13%	6%

Organizational resilience

As well as benefiting from greater efficiency, respondents report a boost to their organizational resilience from investing in EHS. This is particularly noted during periods of unexpected business disruptions. When those instances arise, over half of organizations (52%) that proactively invest in EHS initiatives have noticed either minimal or no impact to operational performance, or even significant improvements to it. Two-thirds (67%) say their approach to EHS initiatives has led to greater agility during uncertain times.

Q To what extent do you agree or disagree with each of the following statements?



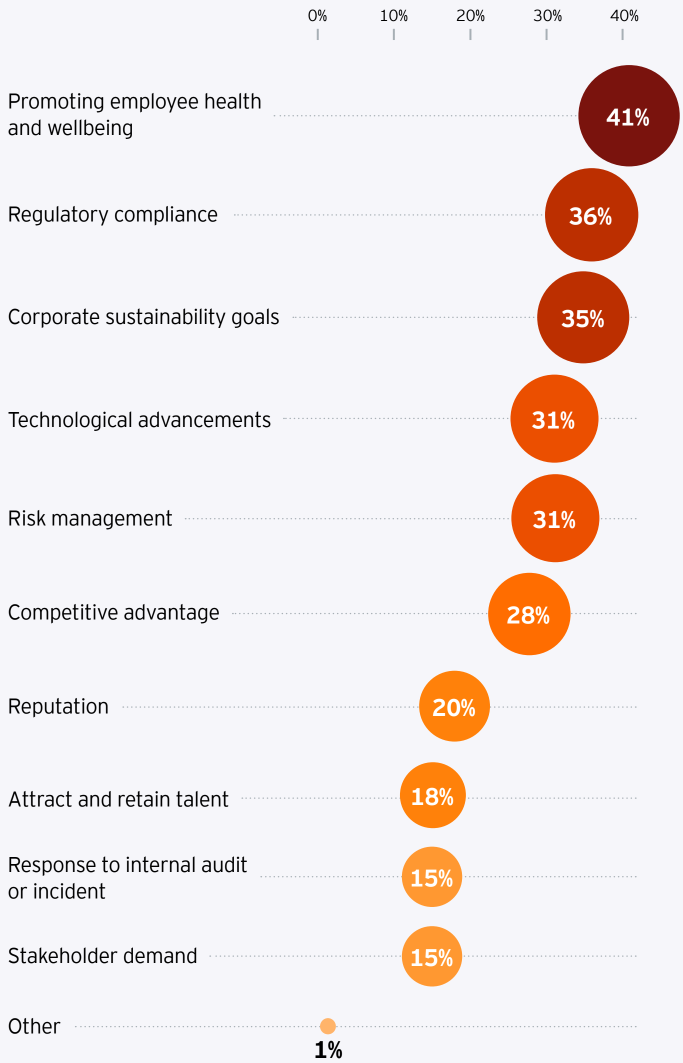
Expenditure on EHS

Given the value generated by EHS, it's not surprising that expenditure on EHS initiatives has significantly increased over the past three years. Overall, expenditure has risen by **72%** for environmental initiatives and by **63%** for health and safety. In the energy and resources sector, expenditure has soared by 76% for environmental initiatives and by 70% for health and safety.

Promoting health and wellbeing is the top reason why organizations have increased their EHS expenditure over the past three years (cited by 41% of respondents). This is almost certainly in response to the high workplace mortality and injury rates in many markets. **The International Labour Organization estimates that nearly three million people die every year due to work-related accidents and diseases.**[1] After health and wellbeing, the two most important reasons for increased EHS expenditure are regulatory compliance (36%) and corporate sustainability goals (35%).

Q Why has your organization's expenditure increased over the past three years?

Participants were asked to select all that apply



1 *Nearly 3 million people die of work-related accidents and diseases*, International Labour Organization website (https://www.ilo.org/resource/news/nearly-3-million-people-die-work-related-accidents-and-diseases), 26 November 2023, accessed 9 May 2025.

Moreover, expenditure on EHS initiatives is set to climb even higher in future. Over three-quarters of respondents (78%) expect their organization's EHS expenditures to increase over the next three years. On average, organizations spend slightly more on health and safety than environmental initiatives – a 60:40 split.

Comparing the results for organizations' EHS expenditures over the past three years with their expectations around EHS expenditure over the next three years reveals an interesting insight. Whereas, during the prior three years, promoting employee health and wellbeing was cited as the top reason for EHS spending, and corporate sustainability goals was the third highest, looking ahead, corporate sustainability goals becomes the most cited reason for the increased EHS spending. This suggests organizations are increasingly recognizing the criticality of EHS initiatives toward operationalizing their sustainability agendas. Two in five (43%) respondents expect their EHS expenditure over the next three years to increase to meet corporate sustainability goals. The next most cited reasons are promoting employee health and wellbeing (34%), and technological advancements (33%).

Jessica Wollmuth, EY Global EHS Co-Leader, believes that, even in instances of economic uncertainty and budget constraints, organizations should continue to prioritize investment in EHS. She emphasizes that, in light of the current market volatility, organizations should strengthen their commitment to EHS initiatives. "Investing in EHS not only helps you comply with regulations but also enhances your ability to operate effectively and responsibly," she explains. "This investment will yield significant benefits, regardless of external circumstances. The core principles of EHS will only grow in importance moving forward."

Q Why do you expect to increase spending over the next three years?

Participants were asked to select all that apply

CASE STUDY

A manufacturer makes small, incremental changes for the better

A manufacturer based in the Asia-Pacific (APAC) region is saving electricity costs in its manufacturing plants after installing solar panels via power purchase agreement. According to its EHS manager, the company also reduced air-conditioning costs by installing automatic control devices and minimizing unused spaces in its Vietnamese factories. Saving time for its employees and stakeholders has been outlined as a major materiality objective of the company, linked to continuous Kaizen actions that promote efficient use of energy and resources, sustainable operation, safe workplaces and, consequently, cost reduction.

Embracing the principle of making small, incremental changes, efficiency and speed became part of this company's brand, which positively reflected on brand strengthening and reputation enhancement.

EHS as a strategic imperative

Despite the evidence, only half (50%) of organizations prioritize and strategically invest in EHS initiatives as a key component of their business strategy.

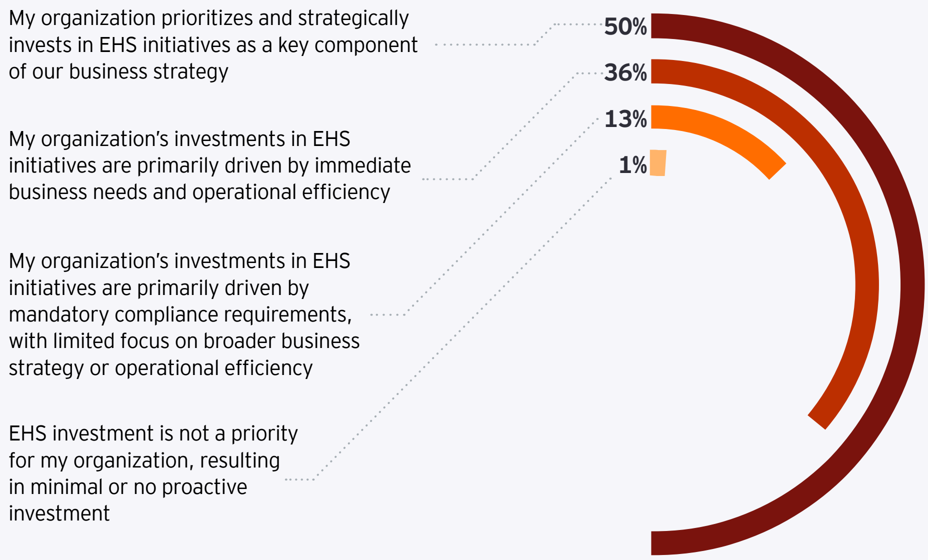
EHS is a powerful value creator in an era when stakeholders expect organizations to help build a healthier, safer and more sustainable future.

Even those organizations that don't take a strategic lens to EHS understand its practical, real-world importance for effective enterprise operations.

A tiny proportion of respondents (1%) say that EHS investment is not a priority for their organization at all. Furthermore, only a small number (13%) state that their EHS investments are primarily driven by mandatory compliance requirements.

Q Which of the following best describes your organization's approach to investing in EHS initiatives?

Participants were asked to select one



Priorities for EHS investment

EHS strategy is the EHS initiative that organizations are most likely to invest in. It has been the highest-ranking priority for organizations over the past year, with 41% prioritizing it as their top area of focus in relation to EHS initiatives and just over seven in 10 placing it in their top three focus areas.

Nearly two-thirds (64%) of organizations are currently investing in their EHS strategy. Furthermore, 71% expect their investment in strategic-related initiatives to increase over the next three years. Organizations are also investing heavily in health and safety risk management (62%) and employee mental health and wellbeing (60%).

Overall, respondents rank EHS strategy as the most important EHS initiative for their organization's reputational integrity. It is ranked top by 20% and among the top five for 49%. Leadership and culture comes second (ranked top by 16% of respondents and among the top five for 43%). In third place is governance, which is the top priority for 10% of respondents and among the top five for 28%.

Strategy, leadership and culture, and governance are cited as the most important elements for embedding and activating an EHS program.

These findings, while derived from a question specifically focused around reputational integrity, appear more broadly applicable for a range of benefits investment in EHS initiatives helps to drive. Indeed, the three initiatives cited as most important – strategy, leadership and culture, and governance – are core elements for embedding and activating an EHS program more generally.

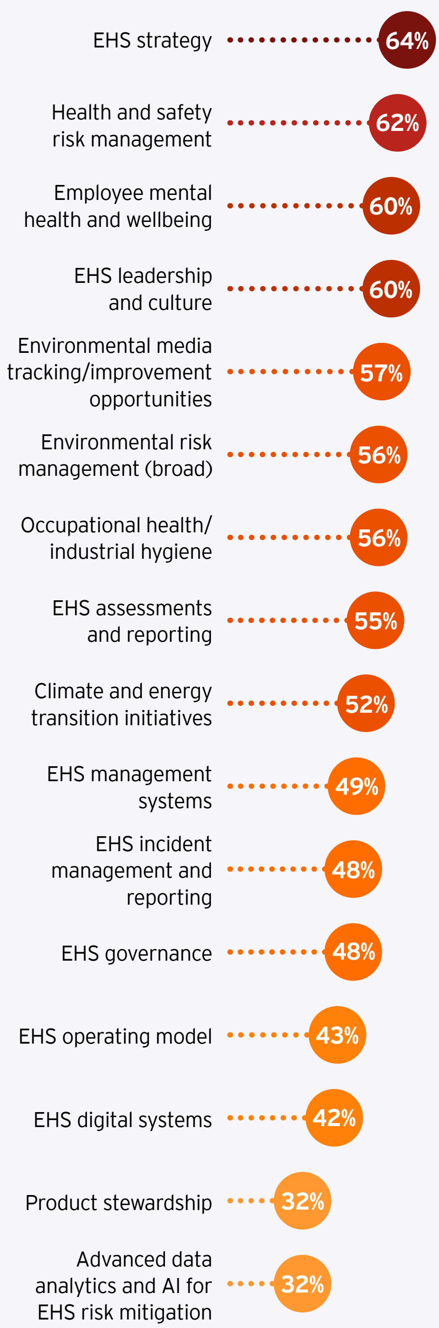
An EHS strategy is essential for clarifying the organization's top EHS priorities and defining its approach to achieving them. EHS leadership is vital for embedding leading practices within teams, modeling good behavior and communicating about the overall EHS strategy.

Investment in culture is important for supporting adoption of new processes and procedures within an organization. It also helps to overcome any cultural and language barriers that may hinder EHS performance. Additional culture-related risks include the pressure to deliver to tight deadlines, which can increase employee stress levels, and distractions such as smartphones, which divert people's attention away from their work. There is also a risk of complacency – in the absence of incidents, people can mistakenly think that a focus on EHS is no longer needed.

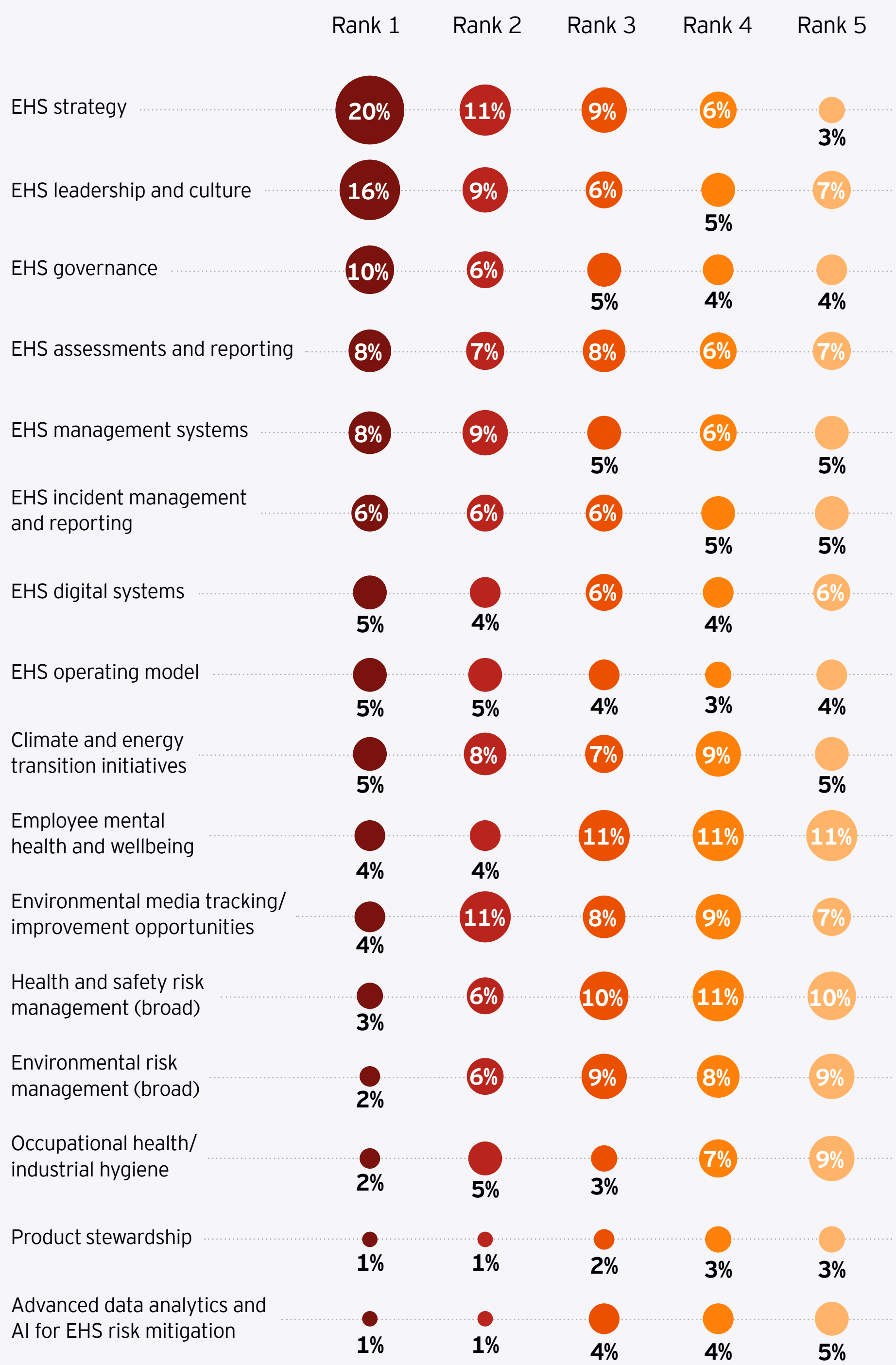
EHS governance is vital to drive accountability and provide oversight around the core elements of the EHS program.

Q Which of the following EHS initiatives is your organization currently investing in?

Participants were asked to select all that apply



Q Rank your organization's EHS initiatives in order of importance to your organization's reputational integrity?



CASE STUDY

EHS is a strategic priority for a chemicals company

For a chemicals company in the Europe, Middle East, India and Africa (EMEIA) region, EHS has evolved from being a compliance cost some 15 to 20 years ago to being a top strategic priority today. The board has a dedicated sustainability committee that regularly reviews EHS performance, reflecting its status as a business-critical issue. According to a senior executive, the company's biggest EHS priorities are decarbonization, avoiding major health and safety incidents, and full compliance with legal obligations.

The company recognizes strong EHS performance as a critical enabler of commercial success, particularly in its partnerships with global customers. For multinationals, in particular, EHS excellence is a prerequisite for engagement. This is because safety and environmental stewardship is under heavy scrutiny in the chemicals industry. Multinational customers are increasingly mandating practices such as product-level carbon footprint disclosures and robust incident reporting protocols.

EHS and sustainability targets are integrated with investment decisions, with business growth being tied to operational, supply chain and safety performance. Projects have been dropped or deferred when safety or environmental risks were not manageable. EHS targets are integrated into the key result areas of critical leadership teams, including business heads, to avoid conflict between production goals and safety. EHS considerations are also built into annual budgeting and operational planning processes (e.g., plant capacity limits, infrastructure needs).

From a monitoring perspective, the company systematically tracks total environmental costs to enable more effective environmental management and support alignment with global sustainability standards. The company is focused on continuous improvement across the following three key areas: resource optimization, waste minimization and target-driven performance. Annual targets for key environmental and efficiency metrics are defined, tracked and reviewed regularly to ensure accountability and continuous progress.

There is regular engagement with local communities on safety matters and emergency preparedness. These interactions are designed to build trust by being informative without causing unnecessary concern.

The company has realized several tangible commercial advantages by embedding EHS principles across its operations:

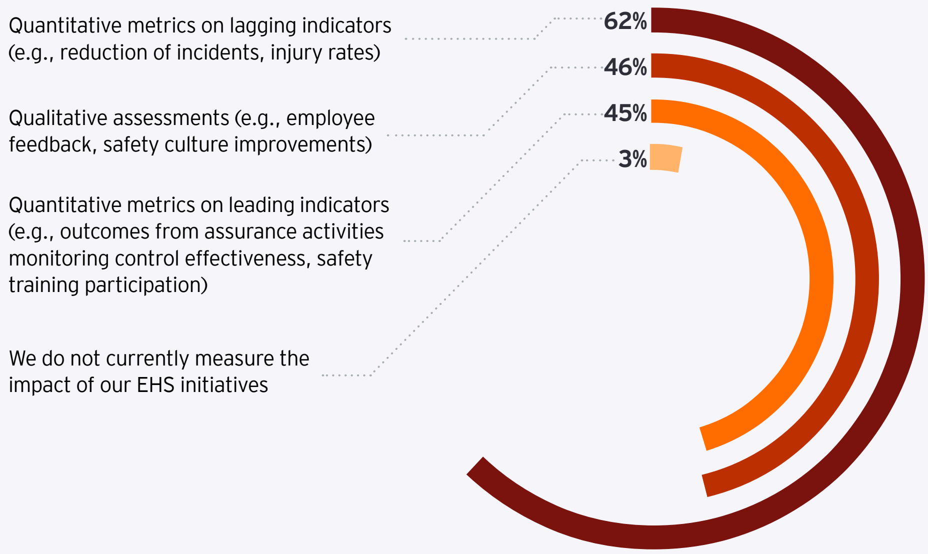
- Cost savings through energy efficiency measures and waste minimization initiatives
- Stronger customer confidence, particularly with multinational customers that place a premium on safety and environmental responsibility
- Enhanced brand positioning as a reliable and sustainable partner, unlocking new opportunities for collaboration and long-term growth

Assessments and reporting

The fourth most important EHS initiative identified in this survey is assessments and reporting. This has historically been regarded as a critical enabler for effective EHS functions. Quantitative metrics on lagging indicators (e.g., reduction of incidents, injury rates) are used by 62% of respondents. Nearly half (46%) use qualitative assessments such as employee feedback and safety culture improvements, while a similar number (45%) use quantitative metrics on leading indicators (e.g., outcomes from assurance activities monitoring control effectiveness, safety training participation).

Q Which of the following best describes how your organization measures the impact of EHS initiatives?

Participants were asked to select all that apply



Nearly three-quarters (73%) of organizations are regularly tracking and communicating changes in regulations to ensure compliance with EHS legislation. Seven in 10 (71%) conduct regular EHS audits and inspections.

While organizations are collecting metrics, many are not using the data they collect to monitor and improve EHS initiatives, inform decision-making or evaluate ROI. Nearly a third (30%) say that while they have plans to use their data for future program improvements, they are not currently doing so. A further 20% have no plans to systematically analyze or apply their data in any capacity.

Overall, just 28% of respondents are integrating EHS metrics and assessments into decision-making processes and using them for both strategic direction and ROI evaluation to drive continuous improvement in EHS initiatives.

If they don't use their data, organizations may not understand their processes and challenges as well as they could. As a result, they might miss out on potential opportunities to enhance the effectiveness of their EHS initiatives and maximize the commercial their ROI in EHS.

Measurement and data are also key for enabling EHS functions to articulate the value they create so that they benefit from further investment. Nearly two-thirds (64%) of organizations have a ROI requirement for funding EHS initiatives. The remainder either waive the ROI requirement or they do not have an ROI requirement for EHS initiatives.

Nevertheless, all EHS functions should be thinking proactively about how they can demonstrate the ROI on EHS initiatives. The best way to do this is to integrate metrics relating to outcomes for every new control or initiative that is implemented – for example, medical incidents or lost factory time. These metrics should be applied prospectively rather than retrospectively, with budget set aside to specifically monitor the impact of the control or initiative from the outset.

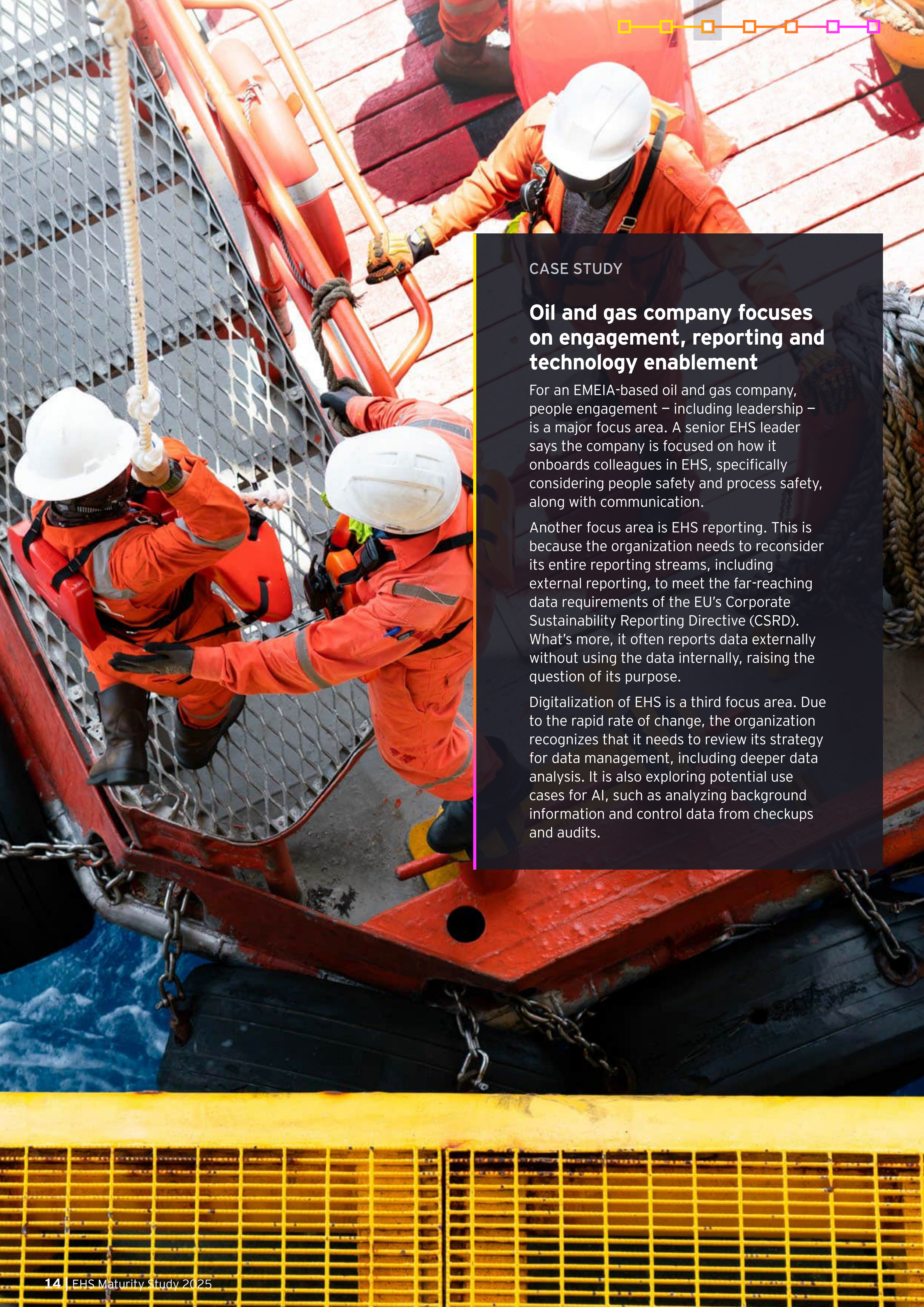
EY TEAMS' EXPERIENCE

"There's a risk that EHS gets taken for granted if it does its job well," says Charlotte Pugh, Managing Director, EY EHS US Solution Lead. "A good EHS function needs to be talking proactively about the benefits that have been gained and the continued investments that are needed so that it doesn't become a victim of its own success and have its funding cut."

Sustainability

Regulation is a major driver of investment into EHS initiatives. This is no surprise, given the complexity of the environmental and health and safety landscape and the heavy penalties that can be incurred by organizations that breach the rules. Nearly three-quarters (72%) of respondents say their organization has increased its prioritization of sustainability-related EHS initiatives – such as waste reduction and energy efficiency – in light of evolving regulations.

Despite a dynamic geopolitical developments in the first months of 2025 having an impact on priorities, 68% of organizations have heightened the priority of sustainability-related EHS initiatives. This is because they recognize that transition to a sustainable business models remains the global direction of travel. Sustainable business models can also generate significant commercial value and provide a competitive edge.



CASE STUDY

Oil and gas company focuses on engagement, reporting and technology enablement

For an EMEIA-based oil and gas company, people engagement – including leadership – is a major focus area. A senior EHS leader says the company is focused on how it onboards colleagues in EHS, specifically considering people safety and process safety, along with communication.

Another focus area is EHS reporting. This is because the organization needs to reconsider its entire reporting streams, including external reporting, to meet the far-reaching data requirements of the EU's Corporate Sustainability Reporting Directive (CSRD). What's more, it often reports data externally without using the data internally, raising the question of its purpose.

Digitalization of EHS is a third focus area. Due to the rapid rate of change, the organization recognizes that it needs to review its strategy for data management, including deeper data analysis. It is also exploring potential use cases for AI, such as analyzing background information and control data from checkups and audits.

Technology drives success

Technology drives successful EHS strategies. Digital tools — including EHS platforms, data analytics and AI — enable organizations to monitor their EHS initiatives, measure the impact of those initiatives, mitigate risks, prevent incidents, identify trends, meet their compliance obligations and improve their overall EHS performance.

Currently, nearly two-thirds (64%) of organizations are using either a single, unified EHS platform (20%) or multiple EHS platforms (44%) to manage and improve their EHS practices. What's more, they are reaping the benefits of deploying these tools.

Of those organizations that are using an EHS platform, 86% of respondents state that their platform has enhanced their ability to mitigate risks and improve incident prediction and prevention. Furthermore, 93% say their platforms are driven by real-time data, enabling their leaders to make informed decisions (76%).

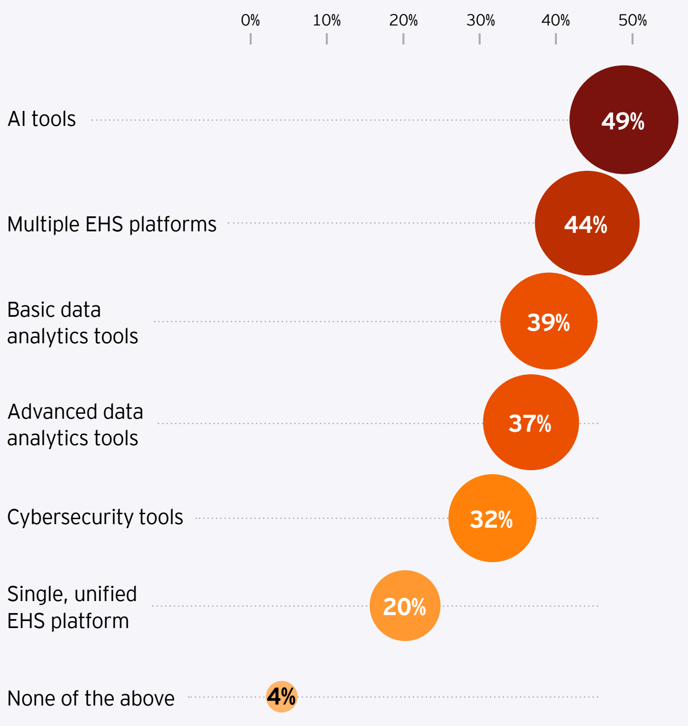
Nearly half (49%) of organizations confirm that they are using AI tools in their EHS initiatives. AI can support effective EHS management by processing large data sets to identify trends and enhance risk identification. It can also be used to monitor potential hazards in real time and automate compliance tracking, among other applications.

Organizations agree that technology can help them to detect weaknesses in their EHS practices. Four out of five organizations that currently use EHS tools (81%) say these tools enable them to effectively identify and address potential blind spots, preventing incidents and health and safety breaches.

Jessica Cranswick, Partner, EY EHS Solution Lead for UK and Ireland says that companies are beginning to harness the power of AI in a meaningful way: "They are doing it not to just drive efficiency but to redefine their commitment to environmental stewardship and employee safety and wellbeing. In effect they're transforming present day challenges into opportunities for a genuinely safer, healthier, and sustainable future".

Q Which of the following technologies does your organization use in relation to its EHS initiatives?

Participants were asked to select all that apply



Three-quarters (75%) of organizations expect to increase their investment in EHS digital systems over the next three years, while 71% expect to increase their investment in advanced data analytics and AI for EHS risk mitigation (currently, 42% of organizations are investing in EHS digital systems, with 32% investing in advanced data analytics and AI for EHS risk mitigation).

Advanced data analytics and AI are set to play an important role in mitigating EHS risks going forward, according to Roberto Garcia, Partner, EY Australia. "If you invest in AI and data analytics, you can build a good framework to predict when and where something might go seriously wrong within your organization," he says. "So you move from the space of just reacting to incidents to preventing those incidents from happening in the first place. For EHS, that's the Holy Grail."

Interestingly, 15% of respondents currently investing in advanced data analytics and AI expect to decrease their investment in these technologies in future. This may be because they are not achieving their desired return on what can be a costly investment. High-quality data is fundamental to getting the best return out of data analytics tools. So, before investing in analytics tools, organizations first need to make sure that their EHS platforms are being used correctly, with the right data being entered, so they can accurately determine the ROI.

75%

of organizations expect to increase their investment in EHS digital systems over the next three years.

CASE STUDY

EHS-driven innovation at a power and utilities company

A power and utilities company in the APAC region has embedded EHS as a strategic imperative across its operations. The company's key investments span training, digitalization, compliance and employee engagement, with initiatives such as traffic management plans enhancing both safety and operational efficiency. Electricity safety is a core focus, with thousands of contractors deployed to elevate safety standards, and impact assessments tracking public outcomes. This is complemented by targeted outreach to high-risk communities, supported by local partnerships and influencer-led awareness campaigns.

Additionally, the company's reputation with regulators and consumers is actively cultivated through strategic engagement plans and alignment with national recycling goals. Innovation is driven by AI and drone-enabled asset maintenance, digitized warehouses and ergonomic logistics infrastructure. The organization advocates collaboration and digitalization as key enablers of transparent, resilient EHS practices in a connected world.

4 Regional trends

Asia-Pacific leads the way

From a regional perspective, APAC leads the way in the prioritization of EHS. This is probably thanks to some high EHS performers in countries such as Australia, Japan and Singapore.

More than three out of five respondents from APAC (61%) say their organization prioritizes and strategically invests in EHS initiatives as a key component of its business strategy. By contrast, 48% of respondents in the Americas and 40% in EMEIA say the same.

Furthermore, this prioritization is paying off. Nearly three-quarters (74%) of APAC respondents say their organization has experienced reduced costs during unexpected disruptions due to its approach to EHS initiatives. Also, almost one-third (30%) of APAC organizations say their proactive investments in EHS initiatives have minimized the impact of unexpected disruptions on operational performance.

Overall, 83% of respondents agree that their organization's EHS approach has resulted in marked improvements in operational efficiency.

61% of APAC respondents say their organization prioritizes and strategically invests in EHS initiatives as a key component of its business strategy.

83% of APAC respondents agree that their organization's EHS approach has resulted in marked improvements in operational efficiency.

Country focus: Japan

In its strategic prioritization of EHS initiatives, Japan is significantly ahead of both the APAC average (61%) and the survey average (50%). Overall, 73% of Japanese respondents say they prioritize and strategically invest in EHS initiatives as a key component of business strategy. When it comes to EHS expenditure, Japan also spends more on environmental initiatives (44%) than the survey average (40%).

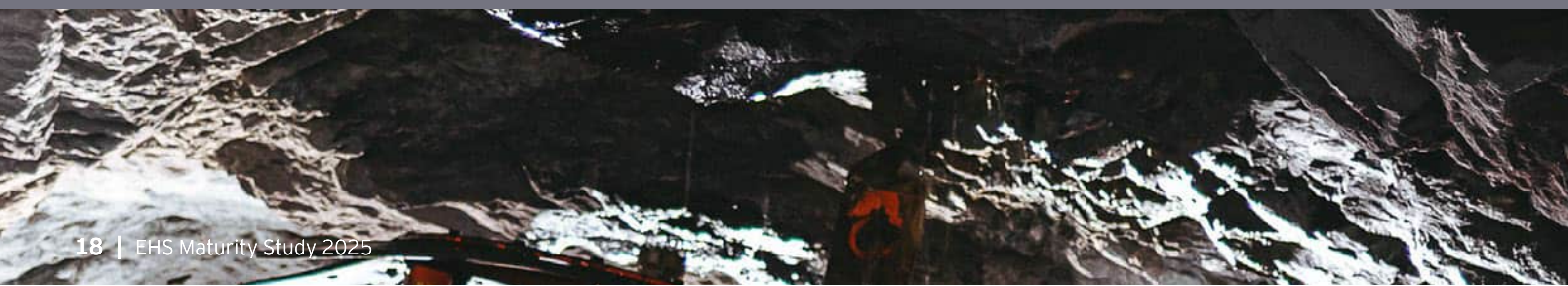
Japan's high level of EHS maturity likely reflects health and safety practices being deeply embedded into the country's workplace culture. Health and safety is supported by important legislation, specifically the Industrial Safety and Health Act. The slogan "Safety first" is posted at factories and construction sites, and is even written on vehicles and workers' helmets.[2]

The majority of current and future EHS investments align with the survey population. Nevertheless, Japan places a greater emphasis on future investments toward product stewardship (63% compared with an average of 51%).

Japan has realized reputational impacts from its EHS approach. Overall, 86% of government and public sector respondents say their organization's EHS stance enhances its reputation and trust among citizens and stakeholders.

Surprisingly, less than half of government and public sector respondents from Japan (43%) say that their organization's efforts to minimize its environmental footprint have positively impacted its image and accountability to the public. It may be that generally high standards of environmental awareness in Japan mean that organizations struggle to differentiate themselves through the reduction of their environmental footprint policies.

2 Survey on Japanese culture related to safety culture, Hiroko Koike, Nuclear Regulation Authority (NRA), 2014.



Country focus: Australia

Over half of organizations (53%) from Australia use immediate business needs and operational efficiency to drive EHS initiatives. This trend contrasts with the survey average (36%) and the trend among the country's APAC neighbors, probably because Australia is already high on the maturity curve when it comes to strategic investment in EHS.

Australia has a robust regulatory environment in relation to environmental, health and safety matters – an environment that has evolved over the past few decades. Some high-risk industries – including oil and gas, manufacturing and mining – make significant contributions to Australia's GDP and have been tightly regulated for some time. Accordingly, EHS is business as usual in Australia across many industries.

When it comes to current investments, 66% of Australian organizations are investing in employee mental health and wellbeing, followed by 63% in health and safety risk management, and 61% in EHS strategy. Employee mental health and wellbeing is likely a priority due to tighter regulation around psychosocial risk at both national and state level.

Currently, Australia is ahead of the world in its regulatory focus on psychosocial risk. Other markets are likely to follow its example over the coming years. This will present challenges to EHS professionals in those markets, since psychosocial hazards can be subjective and affect individuals differently, making them challenging to manage.

Over the next one to three years, Australian organizations are prioritizing investments in advanced data analytics and AI for EHS risk mitigation (66%) and product stewardship (63%). Greater investment in both these areas reflects the commitment of Australian organizations to take their EHS performance to the next level.

CASE STUDY

Health and safety is integral to projects managed by an infrastructure organization

An organization in the government infrastructure and transport sector within APAC integrates health and safety requirements into its projects from the outset. As a result, health and safety is considered in every aspect of the project, from design and planning through to procurement and delivery. It is also very explicit about incorporating EHS requirements into its agreements with contractors.

Within the organization, the health and safety team aims to minimize silos by working collaboratively with different functions, including delivery teams. It also drives innovation by working with partners and stakeholders. For example, one of its contractors uses cloud reporting software to monitor truck movements and the movement of excavated material by tonnage. The organization also uses digital models, simulations and data analytics to improve efficiency and reduce costs.

Control effectiveness is a big focus of the organization. It undertakes assurance reviews on certain infrastructure solutions and tests them against industry standards. Not only does it test whether those controls are in place, it also challenges whether the controls are effectively managing risk. A senior EHS executive says the organization's aspiration is to be a safety leader when it comes to infrastructure projects.

The Americas reap the reputational benefits of EHS

Respondents from the Americas are more likely than their peers in other regions to have experienced increased commercial value from their EHS initiatives. More than three-quarters (76%) agree that their initiatives have boosted value, compared with 66% in APAC and 55% in EMEIA.

Increased customer loyalty is the No. 1 reputational benefit of EHS initiatives for nongovernment organizations in the Americas, cited by nearly one-third (32%) of respondents, 55% placing it among their top three. Other highly ranked reputational benefits are an improvement in sustainability index rankings (14%) and fewer regulatory penalties (10%).

A large majority of nongovernmental respondents from the Americas (83%) agree that investors are more attracted to their organization because of its approach to EHS initiatives. They also say that their organization's approach to minimizing its environmental footprint has improved its reputation among stakeholders.

76%

of respondents from the Americas agree that their EHS initiatives have boosted commercial value.

Country focus: US

The US is above the survey average when it comes to prioritizing and strategically investing in EHS initiatives. Overall, 57% of organizations in the US prioritize and strategically invest in EHS initiatives as a key component of their business strategy – in contrast with the survey average of 50%.

Prioritization of EHS in the US may seem at odds with the recent changes taking place in the country. Good health and safety practices are regarded as a baseline practice, however, which explains why US organizations invest heavily in them.

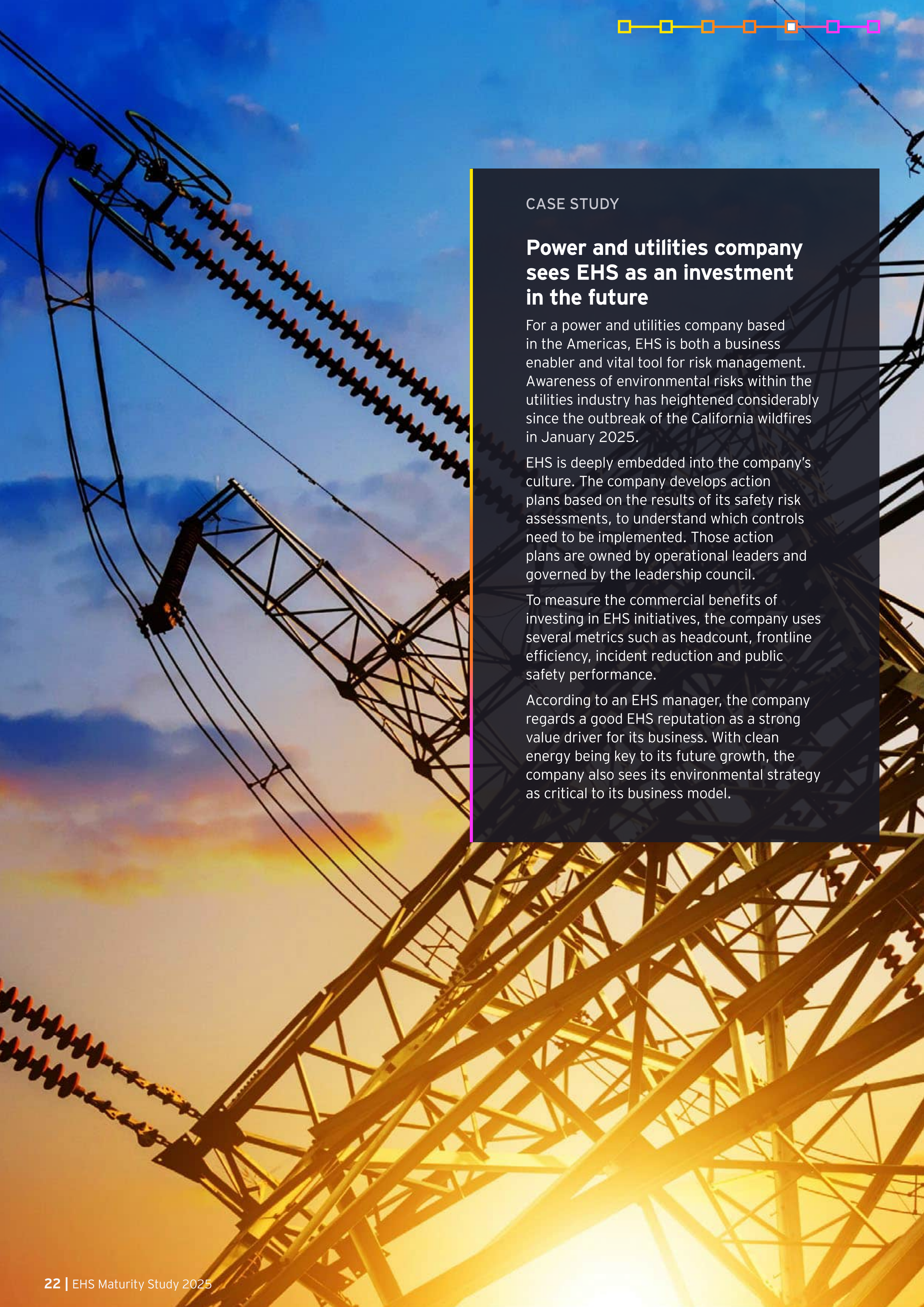
Furthermore, organizations may need to comply with prominent environmental legislation, such as California's key climate disclosure laws and the EU's CSRD. In fact, the CSRD is encouraging EHS functions in the US to review the data they are collecting and incorporate data from their organization's broader value chain.

Another reason for the prioritization of EHS by US organizations is the recognition that investment in EHS fundamentally makes good business sense. They recognize its capacity to improve efficiency, drive down costs and boost organizational resilience.

US organizations are ahead of their peers when it comes to their current investments in EHS leadership and culture (75% versus an average of 60%), EHS strategy (74% versus an average of 64%), and advanced data analytics and AI for EHS risk mitigation (46% versus an average of 32%).

The US also leads in collecting metrics and conducting assessments on EHS initiatives, integrating these into decision-making processes, and using them for both strategic direction and ROI evaluations to drive continuous improvement in EHS initiatives (44% versus an average of 27%). When it comes to technology, US organizations rely on using multiple EHS platforms (58% versus an average of 44%) and AI tools (61% versus an average of 48%).

A large majority (79%) of US organizations have recognized a significant increase in commercial value from employee health and safety initiatives – significantly higher than the global average of 65%. Additionally, more than four in five respondents (84%) agree that their organization's approach to EHS initiatives has led to greater agility during uncertain times, compared with the global average of 67%.



CASE STUDY

Power and utilities company sees EHS as an investment in the future

For a power and utilities company based in the Americas, EHS is both a business enabler and vital tool for risk management. Awareness of environmental risks within the utilities industry has heightened considerably since the outbreak of the California wildfires in January 2025.

EHS is deeply embedded into the company's culture. The company develops action plans based on the results of its safety risk assessments, to understand which controls need to be implemented. Those action plans are owned by operational leaders and governed by the leadership council.

To measure the commercial benefits of investing in EHS initiatives, the company uses several metrics such as headcount, frontline efficiency, incident reduction and public safety performance.

According to an EHS manager, the company regards a good EHS reputation as a strong value driver for its business. With clean energy being key to its future growth, the company also sees its environmental strategy as critical to its business model.

Country focus: Canada

Canada's prioritization of EHS initiatives is on par with the overall survey results (50%). Interestingly, however, its current investment priorities differ from the average – and from the US. Canada's current investment areas of focus are EHS management systems (63% versus an average of 49%) and climate and energy transition initiatives (65% versus an average of 52%). Meanwhile, only 45% of Canadian respondents say they are currently investing in EHS leadership and culture, and just 53% say the same of EHS strategy.

Canada lags in its investments in advanced data analytics and AI for EHS risk mitigation (23% versus an average of 32%), but organizations plan to invest in these tools over the next one to three years (65% versus an average of 55%).

Canadian organizations are realizing significant benefits from their investments in EHS. The vast majority (95%) of Canadian nongovernment respondents agree that investors are more attracted to their organization because of its approach to EHS initiatives. Furthermore, 89% of government and public sector respondents believe that their organization's EHS stance has led to improved compliance with regulations and reduced legal and financial risks. Overall, 85% of respondents say their organization's approach to EHS initiatives has led to greater agility during uncertain times.

EMEIA falls behind on metrics

EMEIA is the region where organizations are least likely to prioritize and strategically invest in EHS initiatives as a key component of their business strategy. On the face of it, this might seem a surprising finding, given that organizations in the EU have been busily preparing to comply with the CSRD.

Preparing for the CSRD is a major endeavor, however, since the directive requires in-scope organizations to publish extensive information about the environmental and social impact of their activities. As a result, organizations have been focused on meeting their sustainability reporting obligations – with commensurate investment in people and systems – rather than investing in EHS initiatives.

Yet the EU's recent decision to delay implementation of some significant CSRD obligations, including the obligation for large companies in the so-called "second wave" to start reporting, could lead to organizations re-evaluating their priorities. They may begin to invest in EHS processes that will help them to better meet their reporting obligations in the long run – which would be a major opportunity for EHS functions.

Respondents from EMEIA lag in their use of quantitative metrics for leading indicators when it comes to measuring the impact of EHS initiatives. Only 40% of respondents say they use quantitative metrics for leading indicators, compared with 47% of respondents in the Americas and 50% in APAC. EMEIA organizations fall behind in all other metrics as well.

Furthermore, EMEIA respondents are more likely to say that they collect EHS metrics but don't have plans to analyze or apply them in any capacity (31% compared with 14% of respondents in Americas and APAC). EMEIA respondents also say that they collect metrics and have plans to use their data but are not currently doing so (35% compared with 26% in the Americas and 29% in APAC).

EY TEAMS' EXPERIENCE

According to Monica Merlo, EY Global EHS Co-Leader, the CSRD is likely to be influencing these findings. She believes that while EU organizations are gathering data to comply with the CSRD, that data is not necessarily the most relevant for improving their EHS performance.

"Organizations can waste time and money collecting information that is not relevant for their processes or decision-making," she says. "That's why the most mature organizations take a step back, look at the priorities for their business and consider the EHS risks they need to manage. Then they look at how they can improve their internal processes to achieve their goals and decrease their risks."

CASE STUDY

EHS enhances the competitiveness of a manufacturing company

EHS performance is crucial for protecting and enhancing the reputation of a manufacturing company in the EMEIA region. Environmental reputation is particularly significant, given the company's operations in local communities. According to a senior executive, the company recognizes that investors are increasingly focused on responsible practices that are driven not by compliance alone, but by a genuine commitment to doing the "right thing" and showing continuous efforts for improvement.

With environmental management, the company focuses largely on capital expenditure, prioritizing investments in equipment and infrastructure. By contrast, its strategy for health and safety involves conducting risk assessments to identify and address relevant risks, supported by an approach that fosters continuous learning and improvement, equipping employees with the skills to use safety equipment and devices.

EHS is integrated into the company's broader business strategy through an annual improvement planning process. It has a five-year strategic plan aimed at achieving specific performance improvements based on leading – rather than lagging – indicators. Furthermore, EHS considerations are integral to the company's brand identity, especially when it responds to requests for proposals and requests for quotations. Customers consistently enquire about its EHS practices and compliance history.

The company has a proactive, data-driven framework for measuring the benefits of EHS initiatives, including proactive indicators focused on quality, engagement and hazard identification. Rather than relying solely on post-incident data, it uses historical data to assess how well a plant is equipped to respond to risks. This includes evaluating whether hazard identification processes are effective and if employees have the right skill sets. Audits play a key role in its measurement approach. The framework not only tracks the number of audits but also assesses the quality of inspections, ensuring they're conducted on-site and not as desktop reviews.

As a result of its investments in EHS, the company has reaped significant commercial benefits. These investments help the company to sustain relationships with an elite group of customers and enhance its competitive edge in the marketplace.

What does an EHS leader look like?

Among the organizations surveyed, EY teams identified a group of leaders that stand out from the other respondents through their strategic approach to EHS investment.

These leaders, who represent 29% of all respondents, come from 153 organizations across the industries profiled in the research. They are likely to work for organizations with a higher revenue than the industry average, particularly in the US$10billion to US$19.9billion range. They are also more likely to be based in the US, Japan or India.

For more on how the EHS leaders were identified, see "About the research" on page 32.

A common set of characteristics defines EHS leaders.

1 Prioritize strategy

All leaders are already investing (88%) or plan to invest in (14%) EHS strategy. This compares with only 54% and 33% of other respondents respectively. Furthermore, 44% of EHS leaders rank strategy as the top-3 organizational priority, versus 37% of other respondents.

EHS strategy is ranked as the top initiative for EHS investment by leaders (88% of leaders compared with 55% of other respondents.) Next come leadership and culture (86% of leaders compared with 50% of other respondents) and environmental media (air, water, waste) tracking and improvement opportunities (79% of leaders compared with 49% of others).

2 Embrace measurement and data-driven decision-making

Leaders are far more likely to collect EHS metrics and integrate them into decision-making to drive continuous improvement in EHS (48% compared with 19% of other respondents). Their organization's robust measurement culture underpins its proactive approach to risk mitigation and operational improvement. Leaders also rely on real-time data for improved decision-making, with 99% of their platforms driven by live data, compared with 89% for other respondents.

3 Invest more in EHS initiatives

Leaders have increased their investment in EHS initiatives over the past three years. They are also more likely than other respondents to expect investments in both environment and health and safety initiatives to increase in the next three years. Almost all leaders (93%) expect their environment expenditure to increase, compared with 70% of other respondents. A similar number (96%) expect their health and safety expenditure to increase, compared with 71% of others.

In particular, EHS leaders foresee greater investment in EHS digital systems (87% compared with 67% of other respondents), health and safety risk management (87% compared with 68% of other respondents), advanced data analytics and AI for EHS risk mitigation (86% compared with 60% of other respondents) and climate and energy transition initiatives (86% compared with 64% of other respondents). Corporate sustainability goals are a major driver of investment in EHS initiatives for leaders.

4 Use technology to support their EHS efforts

Leaders are more likely than other respondents to use a greater number of EHS tools. Nearly three out of five (58%) use multiple EHS platforms (compared with 38% of other respondents).

Leaders strongly believe that their organization's EHS platform has enhanced their ability to mitigate risks and improve incident prediction and prevention (94% compared with 84% of other respondents). Additionally, leaders are more likely to believe that their organization's use of tools in EHS initiatives enables it to identify and address potential blind spots effectively, preventing incidents and breaches (88% compared with 78% of other respondents).

Leaders are early adopters of digital systems, advanced analytics and AI for EHS risk mitigation. They are also more likely to believe that their organization can make informed decisions because it has access to real-time insights (88% compared with 71% of other respondents).

5 Reap the wider reputational benefits of EHS

Leaders are less likely than other respondents to have incurred regulatory penalties. Meanwhile, they are more likely to have attracted investment and improved their stakeholder reputation specifically by minimizing their carbon footprint. More nongovernment leaders cite customer loyalty as the primary reputational benefit of their EHS initiatives than other respondents (36% of leaders compared with 25% of other respondents).

Leaders are significantly more likely to say their organization's initiatives for employee health and safety have contributed to increased commercial value (81% compared with 59% of other respondents).

6 Have more resilient operations

Leaders are more likely to have experienced benefits from their proactive EHS investments, making them more agile in uncertain times and more resilient during unexpected disruptions. Over three-quarters (77%) of leaders agree that investment in EHS initiatives has boosted their organization's agility, and 73% say it has reduced costs during unexpected disruptions. In comparison, 63% and 64% respectively of other respondents say the same.

7 Drive operational efficiency

Leaders are more likely to track regulations and conduct EHS audits and inspections, as well as assessing efforts in minimizing their environmental footprint. More than four out of five leaders (84%) say their organization assesses efforts to minimize its environmental footprint, such as energy efficiency, emissions reduction and waste management. In comparison, 73% of other respondents say the same.

Overall, leaders are more likely to believe their organization's EHS approach has resulted in marked improvements in operational efficiency (94% compared with 73% of other respondents).

8 Invest in sustainability-related initiatives

Leaders are less deterred by the political, investor and media backlash against sustainability than other respondents. In fact, they are more likely to have increased the priority of sustainability-related EHS initiatives despite that backlash (87% compared with 61% of other respondents). They are also more likely to have prioritized sustainability in response to evolving regulations (89% compared with 65% of other respondents).

Where next?

Challenges and recommendations

While organizations recognize EHS as an important strategic priority, they face challenges in their approach to investing in EHS initiatives that realize reputational improvement, operational efficiency and organizational resilience.

These challenges include:

- **Building the business case for the right level and the right allocation of EHS investment.** Tight budgets and uncertain market conditions make it difficult for many organizations to consistently increase spending on EHS – despite the recognized long-term benefits of consistent investments in EHS initiatives. Furthermore, EHS is still seen as a cost center, rather than a value creator, in some organizations.
- **Maximizing value from compliance-related spending.** Compliance and regulatory requirements are a major driver of EHS expenditure. Nevertheless, organizations still need to invest strategically to achieve reputational and operational benefits from their EHS initiatives, making prioritization a juggling act.
- **Prioritizing EHS enablement tools.** Although use of digital tools, such as EHS platforms and advanced analytics, is on the rise, only a minority of organizations view them as top priorities.
- **Difficulty measuring clear ROI for EHS investment.** While organizations report improvements in resilience and efficiency due to EHS investment, clearly measurable benefits – such as reduced downtime – remain elusive, using traditional EHS metrics focused on risk mitigation. It's also hard to quantify the financial impact of preventing incidents that haven't happened.
- **Lack of long-term vision.** Organizations increasingly value stakeholder trust over immediate financial metrics. This can create internal debates about where to best allocate resources to achieve both short- and long-term returns.
- **Lack of EHS visibility at board and leadership level.** EHS functions are competing for attention and resources with a host of other departments, including sustainability functions. They can also struggle to articulate the commercial value that EHS brings to leaders of other functions.
- **Shortage of resources.** Many EHS functions are under-resourced, making it hard for them to manage their workload and effectively oversee EHS processes, including compliance, reporting and proactive safety measures. As a result, staff turnover in EHS functions can be high, further exacerbating the problem.
- **Organizational siloes.** EHS-related work is not always fully understood by other departments within an organization. This makes it difficult for EHS functions to collaborate with their colleagues, secure resources and effectively implement initiatives.

Recommendations

Given these challenges, how can organizations realize even greater commercial value from their investment in EHS?

1 Embed EHS into the organization's value creation story

Develop a forward-thinking EHS strategy that is aligned with the organization's overall vision and business priorities. Use investment in EHS to help the organization achieve its objectives while driving reputational, commercial and operational value. Fundamentally, EHS is just good business.

2 Commit to EHS as an ongoing endeavor

Organizations should be striving for continuous improvement; otherwise, they risk falling EHS standards and potentially a major incident impacting human lives and the environment. Furthermore, the regulatory framework is only going to get tighter in future. Organizations won't want to risk being penalized by regulators, with all the associated reputational and financial consequences.

3 Take a holistic approach to EHS improvement

Consider all the systems, processes, people and structures that make up the organization's EHS system. How do they all interact with each other? As well as the physical aspect of health and safety, is there sufficient focus on mental wellbeing and psychosocial risk? Where are the blockers to progress? Focus on improving the system as a whole, by considering the individual elements and how they fit together.

4 Utilize the full potential of digital technologies

To truly enhance EHS performance, organizations must not only focus on where they source their data but also ensure that this data is strategically utilized. By scaling investments in digital systems, advanced data analytics and AI, organizations can gain real-time, actionable insights that allow them to anticipate incidents before they occur. It's crucial to view these investments through a strategic lens, connecting the outputs to the initial investments made. When upgrading existing technologies or acquiring new systems, select tools that can integrate with the broader enterprise risk management framework. Additionally, fostering human engagement with both the systems and reporting processes is essential. These efforts will not only increase the utilization of digital tools but also elevate the standards of data quality, ultimately driving significant improvements in EHS performance.

5 Invest in measurement, monitoring and continuous improvement

Organizations should collect metrics and conduct assessments on their EHS initiatives, using the feedback from this tracking to enhance their decision-making and drive continuous improvement in EHS. Measurement and monitoring should be embedded into every initiative to help articulate the ROI of EHS initiatives and justify future investment.

6 Establish two-way communication processes

EHS should not just be a strategy that is implemented from the top down. It is also important to establish channels that enable frontline workers to push for change.

7 Make EHS everybody's business

Include EHS in the job descriptions of key personnel. Make sure it is a key part of every role in the company, including leaders at every level, and provide them with appropriate resources and training. EHS leadership and culture is ranked as one of the top overarching EHS initiatives by survey respondents (86% of leaders compared with 49% of other respondents). When an EHS culture is deeply embedded within an organization, the central EHS function can operate under less pressure.

8 Promote cross-functional collaboration

When EHS collaborates with other functions, it can create greater value for the organization. A good example would be risk assessments run by the risk department in conjunction with EHS. This would enable environmental and health and safety risks to be considered in the context of the broader risk landscape. Collaboration with the sustainability function is also vital, since EHS is the foundation of sustainability strategy. Additionally, collaboration with HR is key to ensure the physical and mental wellbeing of employees and support regulatory compliance.

9 Review governance processes

Good governance underpins an effective EHS strategy by enforcing accountability for progress and performance. Consider whether the organization has an appropriate governance framework to monitor its strategic investment in EHS initiatives and effectively challenge leadership on EHS matters.

10 Share knowledge and best practice with others

The greatest value will be realized when organizations work with both partners and competitors within their ecosystems to drive up overall EHS standards.

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About the research

The EY Global EHS Maturity Study is sponsored by the EY Climate Change and Sustainability Services (CCaSS) group, based on a survey carried out by Oxford Economics. Data was collected from a web survey answered by 526 EHS professionals and C-suite executives from around the world. The survey was in the field from 31 March to 11 April 2025.

Nearly two-thirds (64%) of respondents hold the job title of EHS senior executive or equivalent, while 33% are C-suite executives. A further 3% hold other roles but are responsible for making decisions regarding EHS strategy and initiatives for their organization.

The respondents come from 34 different countries and work for organizations with an annual revenue or budget of over US$500 million. These organizations include publicly listed companies, privately held companies, and government agencies and departments. Overall, 24 different industry sectors are represented in the research.

The survey results have a margin of error of approximately ±5% at a 95% confidence level. This margin of error accounts for potential sampling variability and provides a general indication of the precision of the survey estimates.

The EHS leader group (29% of all respondents) was identified based on their organization:

- Prioritizing and strategically investing in EHS initiatives as a key component of its business strategy
- Having increased or significantly increased both its environment expenditure and its health and safety expenditure over the past three years

In addition, in-depth qualitative interviews were conducted with eight EHS professionals from global organizations and four EY subject matter professionals.

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