

New benchmark highlights European companies' ESG blind spot

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European companies are making progress on climate action but seem to be missing the bigger picture. A new benchmark of 1,900 companies from sustainability software leader Position Green reveals that while climate dominates boardroom priorities, biodiversity, employee resilience and governance diversity are still treated as secondary issues despite a clear link to long-term business performance.

The analysis shows that 98% of companies identify climate change mitigation as material, and 73% see it as double material, linking it to both business performance and environmental impact. Yet only 11% consider pollution of living organisms and food resources material, and just 5% acknowledge the importance of marine resources – even in sectors that depend on them. When it comes to social performance, just 4% publish data on employee satisfaction, compared to more than half that disclose supply chain emissions.

“European companies have come a long way on climate, but our report reveals real gaps on the broader issues that put a company on a truly sustainable path. Right now, most can tell you their carbon footprint but not how their people are doing or how their business impacts ecosystems. Those are critical blind spots in a world where resilience depends on the people and natural resources that underpin each businesses' long-term success. The social and biodiversity challenges our economies face are the two key areas where the next risks and opportunities will emerge, said Daniel Gadd, CEO and Co-Founder of Position Green.

Most and least material ESG topics

According to Position Green's Sustainable Business Playbook, the topics most often identified as material are:

- Climate change mitigation (98%)
- Working conditions (own workforce) 96%
- Energy use (93%)

The topics identified as least material are:

- Marine resources (5%)
- Particular rights of indigenous peoples (9%)
- Animal welfare (10%)

Regional contrasts reveal uneven ESG maturity

The findings clearly show regional differences across Europe. Nordic companies, with Sweden at the top, lead on share of renewable electricity use but also record some of Europe's highest emission intensities. This shows that cleaner energy use doesn't always translate into low-carbon value chains. Benelux firms lead in board diversity (39% women) yet report higher employee turnover than other European countries (17%). DACH companies (Germany, Austria, Switzerland) excel on social data and governance, in comparison to benchmark companies from the UK and Ireland. British and Irish companies report the lowest workforce turnover (12%) but the highest overall emissions intensity.

“The next phase of the sustainable business transformation will be defined by integration. Companies that connect climate, nature, people and governance to core business strategy will be stronger, more resilient and better positioned to earn investor trust, and to navigate the real-world challenges from climate change, nature depletion and geopolitical tensions we all face,” said Daniel Gadd, CEO and Co-Founder of Position Green.

About the report 'Sustainable business playbook'

The benchmark analysed 1,900 European companies across eleven sectors and seven regions, combining Position Green's proprietary data with public sustainability disclosures from 2023 - 2024. It aims to map how companies turn sustainability from compliance into competitive advantage.

Furthermore, we have analyzed a sample of over 350 companies that have performed double materiality assessments in Position Green's platform, in order to assess which sustainability topics are most frequently identified as material. Whereas several studies publicly available have examined materiality on a topical standard level, we have examined this on a sub-topical level, which provides a more granular insight into the results. Our results highlight to which extent each topic tends to be seen as material from each of three perspectives: impact material, financially material, or double material – giving further insights into how companies connect these issues from a business perspective. What sets this analysis apart from similar studies previously conducted is the level of detail, along with a substantial number of companies in the data sample.

Access the full Sustainable business playbook [here](#).

About Position Green

Position Green is the Nordic leader in ESG software and advisory, helping more than 800 companies and investors make informed, data-driven sustainability decisions. With offices across Scandinavia and a growing European presence, Position Green offers an end to end sustainability platform with embedded expertise from a team of experienced climate, governance and strategy professionals. The company is majority-owned by Norvestor, a Nordic private equity firm managing over €1.5 billion in AUM, alongside more than 150 Position Green employees and Co-founders Daniel Gadd and Joachim Nahem.

For media inquiries, please contact:

Ulrika Enström
Communications consultant for Position Green
ulrika@kioskservices.eu
+46-73 332 85 15