

Less is More? Our Fifth Annual State of U.S. Sustainability Reports

Teneo Insights / September 2025

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Introduction

As was the case last year, much has transpired in the sustainability world since we published our 2024 State of U.S. Sustainability Reports one year ago. In the U.S., we have seen targeting of both corporate ESG and DE&I initiatives and disclosures at the federal level. In addition, some states have ramped up their focus on eliminating ESG and DE&I, while others have finalized rules mandating ESG disclosures.

Anti-ESG and anti-DE&I activists put forth more proposals during this year's U.S. proxy season than ever before. Outside of the U.S., the European Union's Corporate Sustainability Reporting Directive (CSRD) underwent multiple revisions with the aim to simplify company ESG disclosures. And as was the case last year, more countries announced they will adopt rules mandating disclosure to the International Sustainability Standards Board (ISSB) sustainability framework.

The new U.S. regulatory environment, evolving global regulations and energetic activists on both sides caused many companies to rethink their existing ESG strategies. How are companies managing these new legal and political risks? How are companies adjusting their ESG communications? What impact are the anti-ESG campaigns having on company ESG goals?

To help companies answer these and other critical questions, we are publishing our fifth annual look at the "State of U.S. Sustainability Reports," analyzing 250 sustainability reports from S&P 500 companies published in 2025. In this report, we provide (i) our study methodology; (ii) our top 10 takeaways from 2025 Sustainability Reports; and (iii) key statistics of 2025 Sustainability Reports.



Study Methodology

We analyzed 250 sustainability reports from S&P 500 companies published between January 1 – July 31, 2025 (“2025 Sustainability Reports”). For the purposes of this report, 2025 Sustainability Reports refer to any annual ESG disclosure report regardless of naming conventions. The majority of 2025 Sustainability Reports analyzed were published by large-cap companies with a sector profile that generally aligns with the S&P 500.

Figure 1: Market Cap of Companies Reviewed (USD)

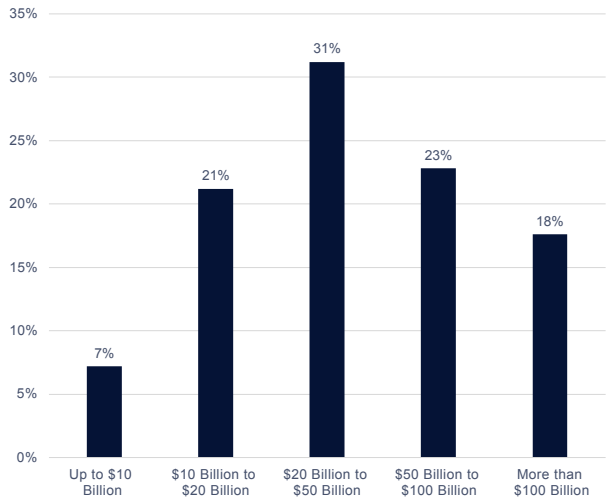
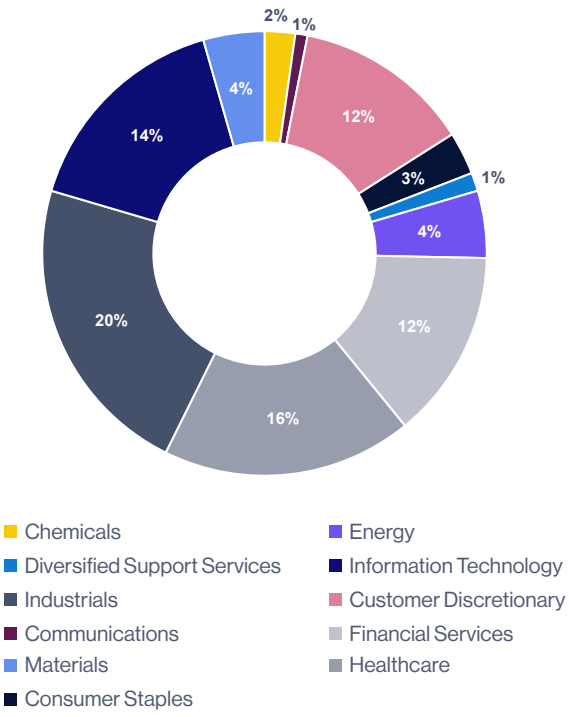


Figure 2: Sector Breakdown of Companies Reviewed



Top 10 Takeaways From 2025 Sustainability Reports



01

Companies still published sustainability reports.

Eighty two percent of companies that published a sustainability report last year also published a sustainability report this year. Many of those sustainability reports were published later than last year, likely due to additional legal review. It remains to be seen whether the other 18% of companies publish a sustainability report later this year.



02

Sustainability reports got shorter.

The average length of 2025 Sustainability Reports decreased by 16%, averaging 70 pages in total (down from an average of 83 pages in 2024). Primarily, companies reduced content in DE&I sections, provided less detail on ESG goals and scaled back narrative storytelling around ESG.



03

The acronym “ESG” was almost MIA.

Almost half of the 2025 Sustainability Report titles included the word “Sustainability.” “ESG” continued its downward trend and dropped sharply to only 8% (down from 24% in 2024). Similarly, the “ESG” acronym appeared just 20 times within 2025 Sustainability Reports on average, compared to 62 times in 2024 Sustainability Reports (a reduction of 67%).



04

Almost half of companies are now living in a double material world.

Almost 75% of companies disclosed that they have conducted a materiality assessment, and the proportion that have completed (or were in the process of completing) “double” materiality assessments has increased to 41%.



05

I (Inclusion) was the last DE&I letter standing.

78% of companies updated their DE&I terminology in this year’s reporting, though no dominant replacement term emerged. However, roughly half continued to incorporate the word “inclusion” to signal efforts toward fostering a culture of belonging.



06

Sustainability reports were issued with less pomp.

The number of companies issuing press releases for their 2025 Sustainability Reports has continued to decline significantly (36%) since we began tracking in 2021 (76%). In contrast, ESG microsites have become nearly ubiquitous (92%), although many companies have scaled back content, including historical sustainability reports.

Top 10 Takeaways From 2025 Sustainability Reports

07

References to the EU CSRD and International Financial Reporting Standards (IFRS) disclosure frameworks increased.

Mentions of the EU CSRD disclosure framework increased from 13% in 2024 to 31% in 2025 (but only 3% are fully reporting to the CSRD). Mentions of IFRS increased to 16%, with 8% of companies fully reporting to the IFRS (more than double the proportion from last year).

08

External assurance for "social" data points dropped.

The percentage of companies obtaining external assurance of at least one ESG data point held relatively steady at 67%. However, significantly fewer companies are assuring at least one "social" data point – 25% in 2025, down from 32% in 2024.

09

Company ESG goals disclosure decreased.

Fewer companies provided an ESG goals progress section in 2025 (30%) than in 2024 (36%). Accordingly, the number of companies signaling that at least one ESG goal was re-positioned dropped as well.

10

Responsible AI disclosure increased by more than 50%.

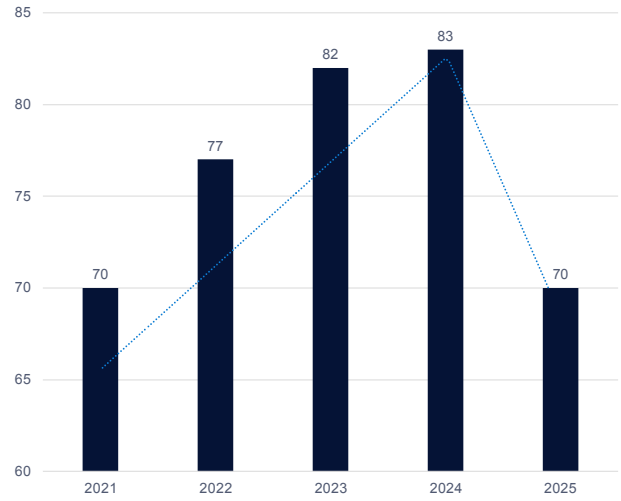
Approximately 35% of companies describe their use of responsible AI within 2025 Sustainability Reports, up from 21% in 2024. The most common sectors that included this type of information were information technology (26%) and healthcare (20%).



Key Statistics of 2025 Sustainability Reports

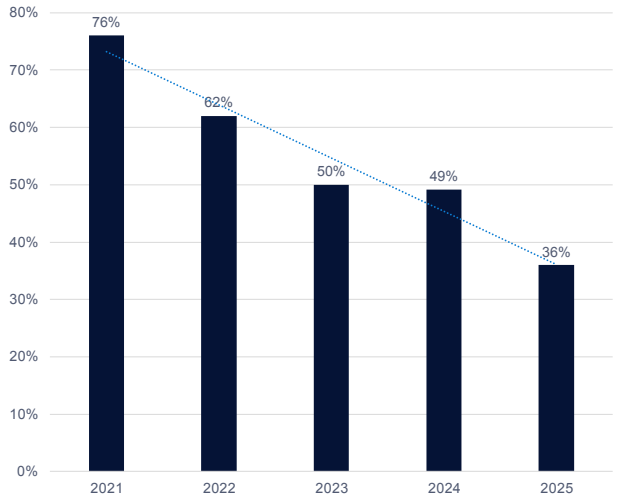
I. Sustainability Report Communications Characteristics

Figure 3: Average Length of Sustainability Reports (2021-2025, # pages)



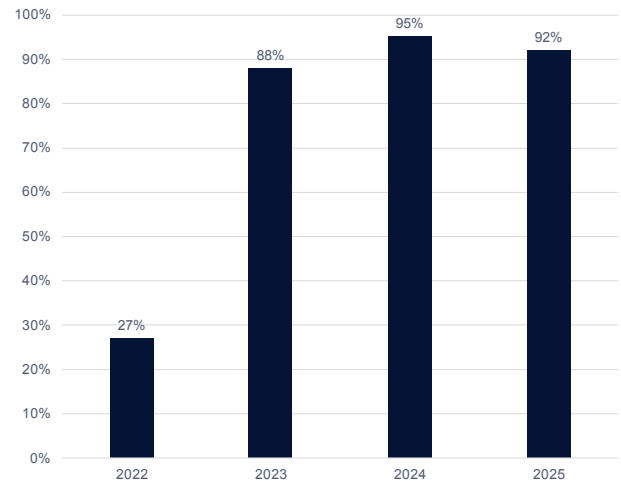
The length of 2025 Sustainability Reports varied greatly, ranging from a low of nine pages to a high of 304 pages.

Figure 4: Issued Press Release with Sustainability Report (2021-2025)



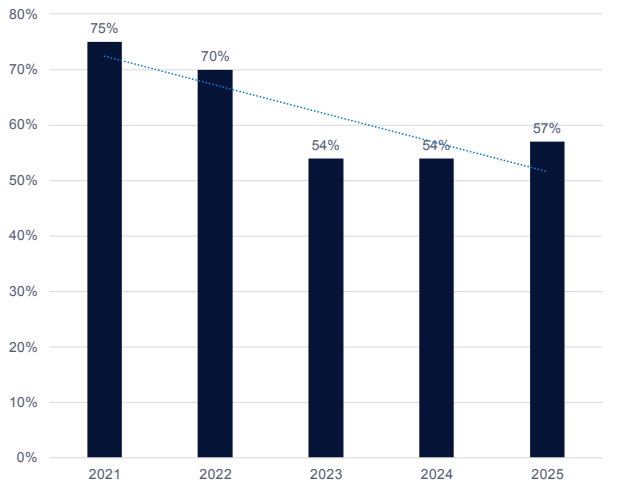
Over the years, companies are increasingly providing less visibility and promotion for their sustainability reports.

Figure 5: Corporate Website Included Sustainability Microsite (2022-2025)



While most companies maintained an ESG microsite within their corporate website, certain content was either streamlined and/or removed.

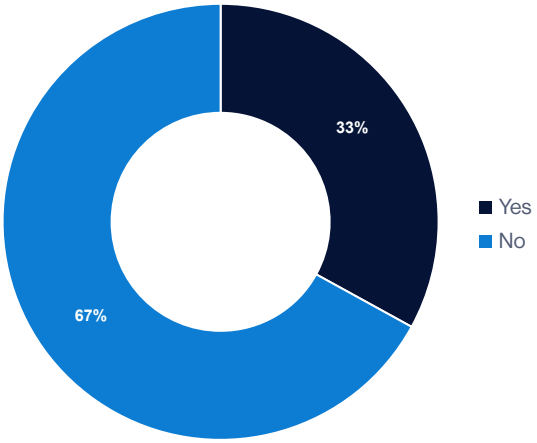
Figure 6: Included ESG Data Table Within Sustainability Report (2021-2025)



More than half of companies included an ESG data table beyond disclosure frameworks (i.e. SASB) within their 2025 Sustainability Report.

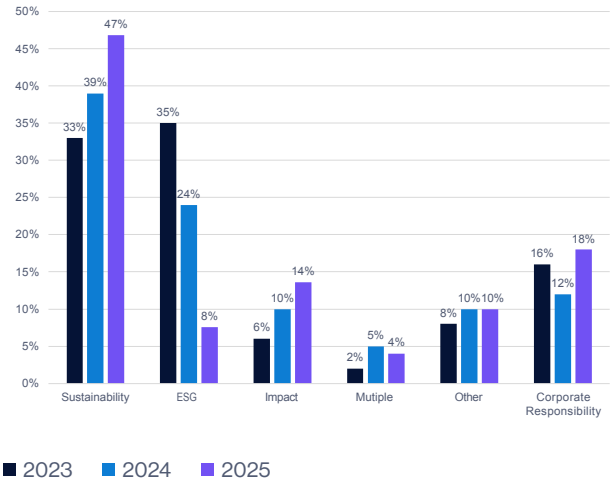
Key Statistics of 2025 Sustainability Reports

Figure 7: Included a Tag Line in Title of 2025 Sustainability Report



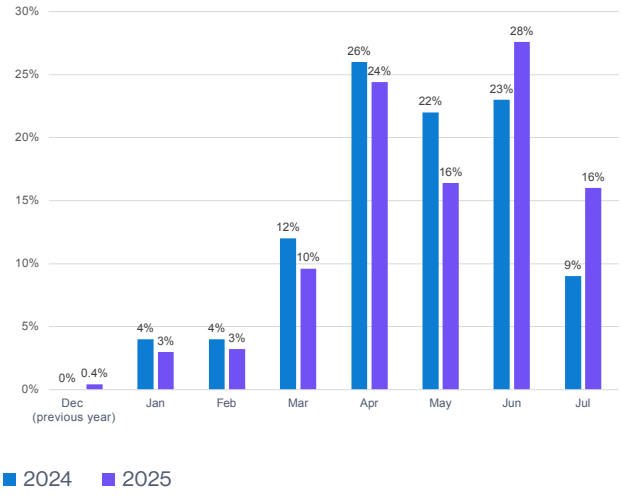
While some companies utilized sustainability reports as a branding opportunity, the majority of the companies did not include a tag line in the title of their 2025 Sustainability Report.

Figure 8: Key Word of Sustainability Report Titles (2023-2025)



While "sustainability" continues to gain traction, companies also increasingly used other alternative terms such as "impact" and "corporate responsibility."

Figure 9: Publication Date of Sustainability Reports (2024-2025)

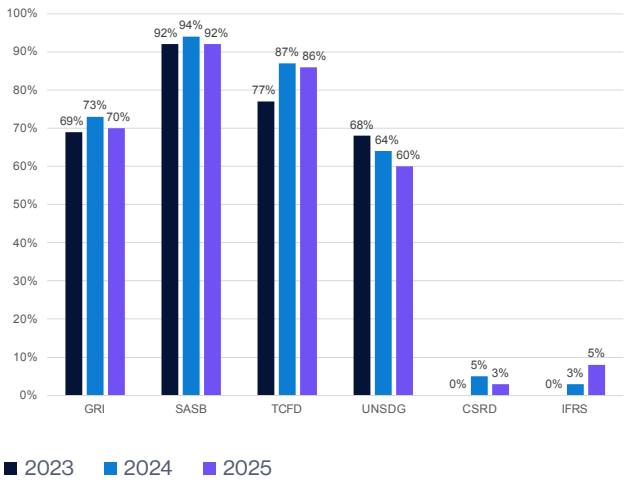


More companies published their sustainability reports in later months, opting to wait for greater clarity amid shifting political dynamics and regulatory policies.

Key Statistics of 2025 Sustainability Reports

II. Sustainability Report Content Characteristics

Figure 10: ESG Disclosure Frameworks Aligned in Sustainability Reports (2023-2025)



While only 3% of companies reported to the CSRD framework, 31% indicated that they plan to report under it in future disclosures.

Figure 11: Primary Naming Convention for DE&I Efforts (2023 & 2025)

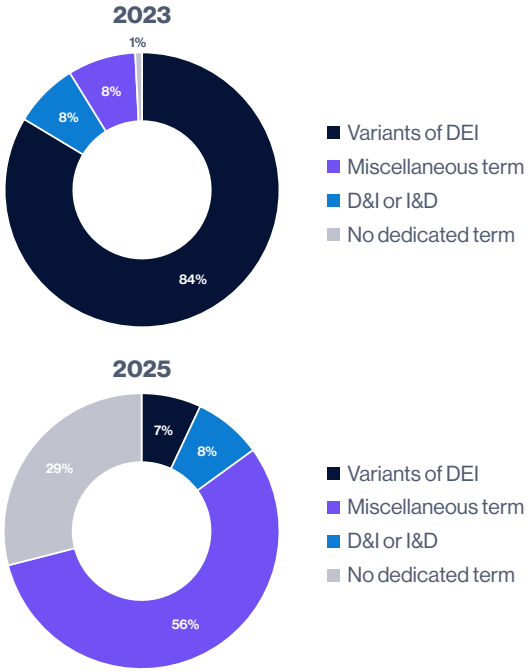
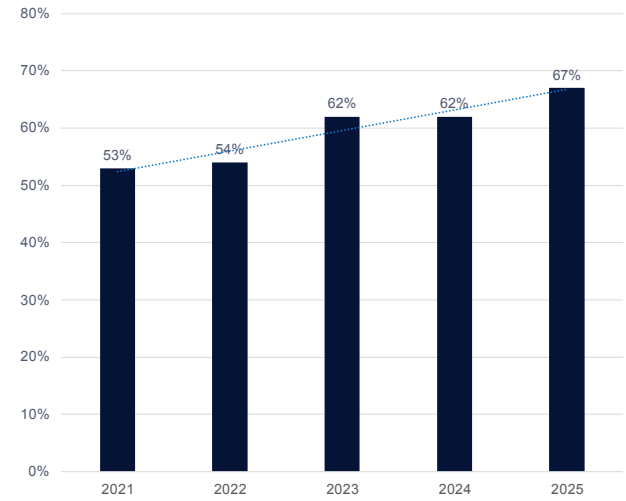
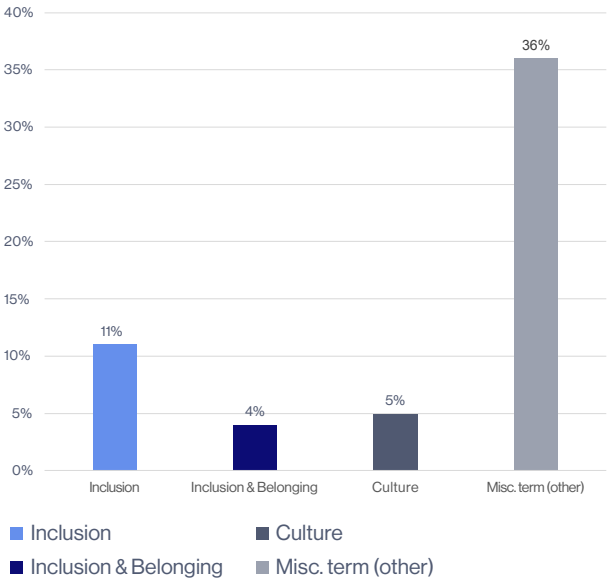


Figure 12: External Assurance Provided for Data Within Sustainability Reports (2021-2025)



With the emergence of regulatory mandates, obtaining independent external assurance over ESG data is increasingly becoming standard practice.

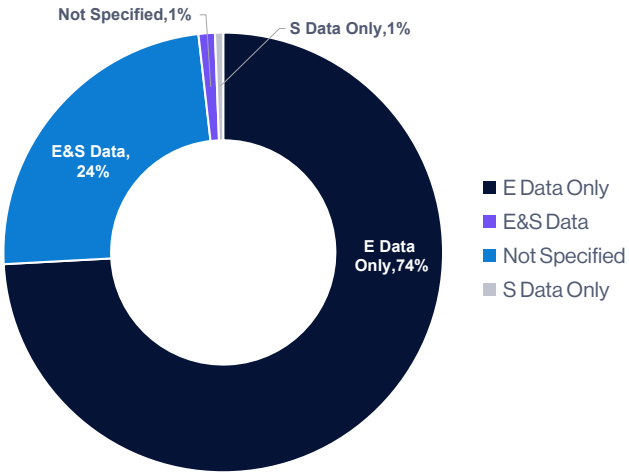
Breakout of Miscellaneous Term (2025)



Since 2023, the center of gravity has shifted sharply from 'DEI' variants to miscellaneous alternatives, alongside a noticeable uptick in companies dropping a dedicated label altogether. As companies evolve their programs and/or labels, 'inclusion' continues to be one of the most frequently used terms, while 'belonging' and 'culture' have seen sharp increases in adoption this year.

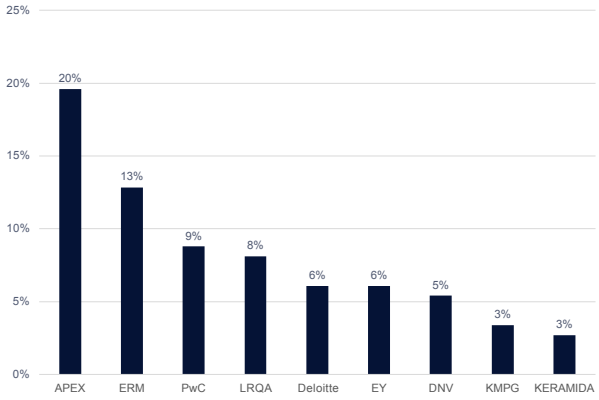
Key Statistics of 2025 Sustainability Reports

Figure 13: Type of ESG Data Assured (2025)



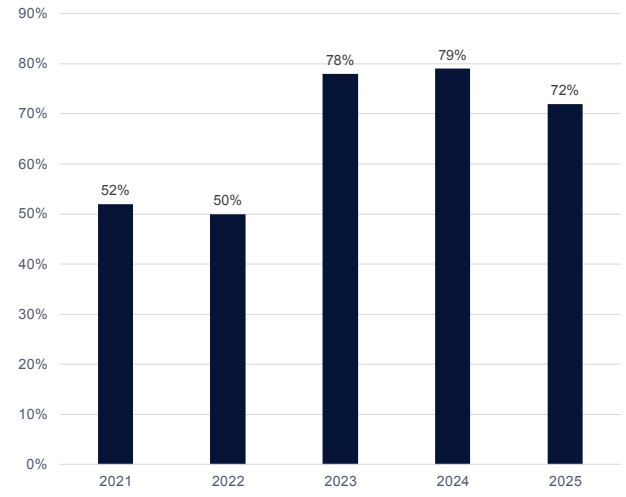
Companies continued to prioritize obtaining external assurance for environmental data while external assurance for social data remains less prevalent.

Figure 14: Top External Assurance Providers (2025)



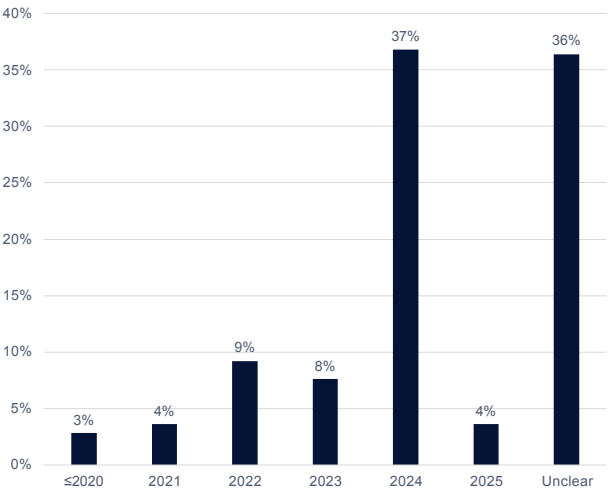
Apex was the most frequently selected auditor for external assurance on environmental data as evidenced through the assessed 2025 Sustainability Reports.

Figure 15: Referenced a Materiality Assessment (2021-2025)



Materiality assessments continued to provide companies with an important anchor for their sustainability strategy and disclosure.

Figure 16: Date of Last Materiality Assessment (2025)

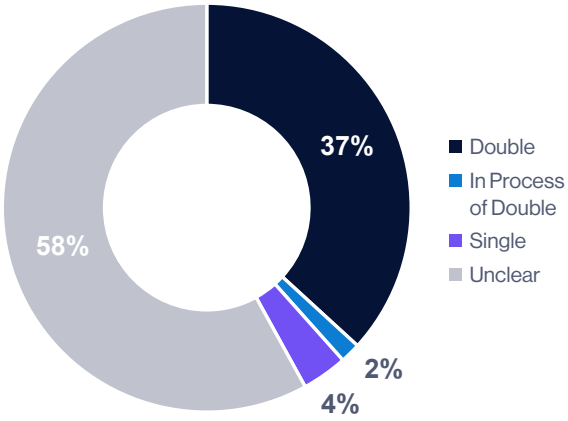


Of the 64% of companies that disclosed the date of their last materiality assessment, the majority have conducted one within the past two years.

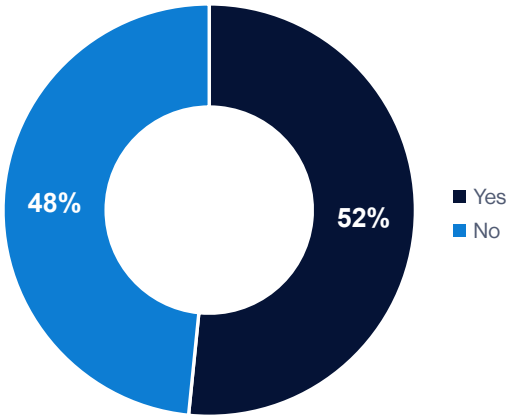
Key Statistics of 2025 Sustainability Reports

Figure 17: Other Materiality Assessment Characteristics (2025)

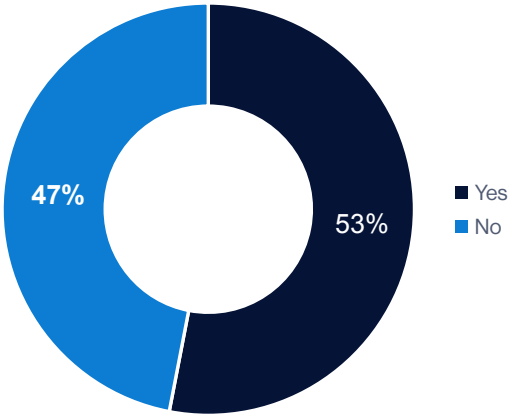
Type of Materiality Assessment



Included Materiality Matrix

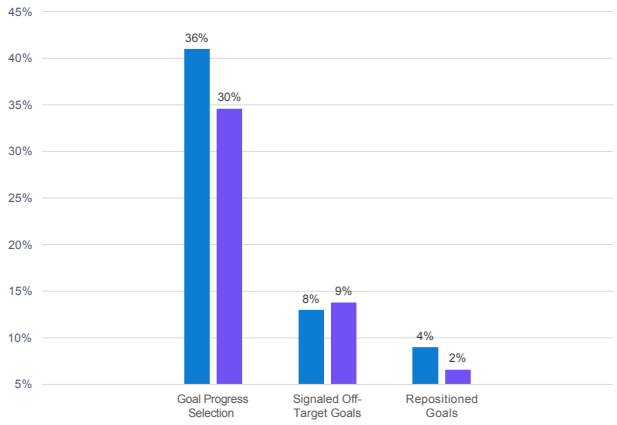


Included Legal Disclaimer



The average number of material issues listed by companies within 2025 Sustainability Reports was 16 while the average number of stakeholders engaged was seven.

Figure 18: ESG Goals Characteristics (2024-2025)

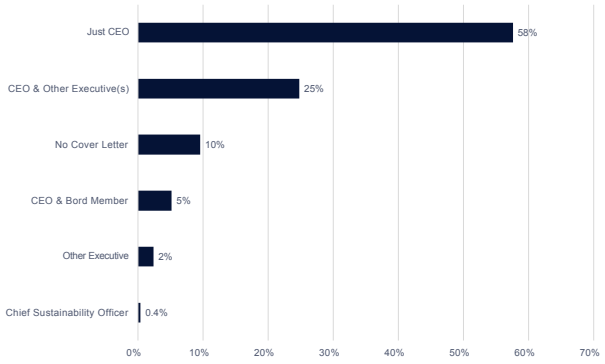


The downward trend in ESG goal progress disclosure continued.

Key Statistics of 2025 Sustainability Reports

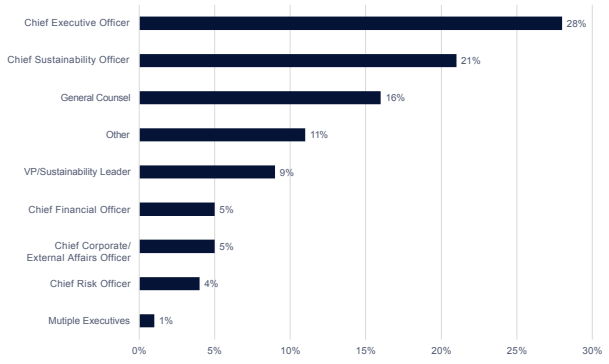
III. Sustainability Report Governance Characteristics

Figure 19: Sustainability Report Cover Letter Signatory (2025)



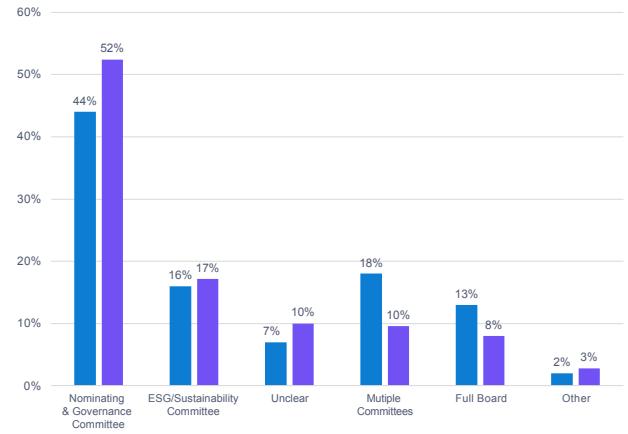
More companies omitted a cover letter this year (10%) than last year (2%).

Figure 20: Executive with Primary ESG Oversight Responsibilities (2025)



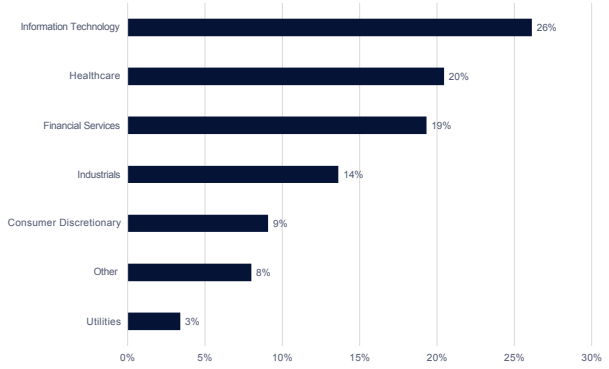
CEOs continued to hold primary responsibility for ESG oversight, with Chief Sustainability Officers and General Counsels also frequently designated as leads by a notable proportion of companies.

Figure 21: Board Committee with Primary ESG Oversight Responsibilities (2024-2025)



The Nominating & Governance Committee continued to hold primary responsibility for ESG oversight at the boards of majority companies.

Figure 22: % of Companies Discussing Responsible Use of AI (By Sector, 2025)



Companies in sectors who operate with personally identifiable information tended to include Responsible Use of AI more frequently in their Sustainability Reports.

Note: Some statistics throughout the report may not total to 100% due to rounding.

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