

The State of Sustainable Procurement 2025

Practitioners' Insights and ROI Perspectives

How sustainability in procurement delivers value today and where investment will drive tomorrow's impact.



A study in partnership with



Executive Summary

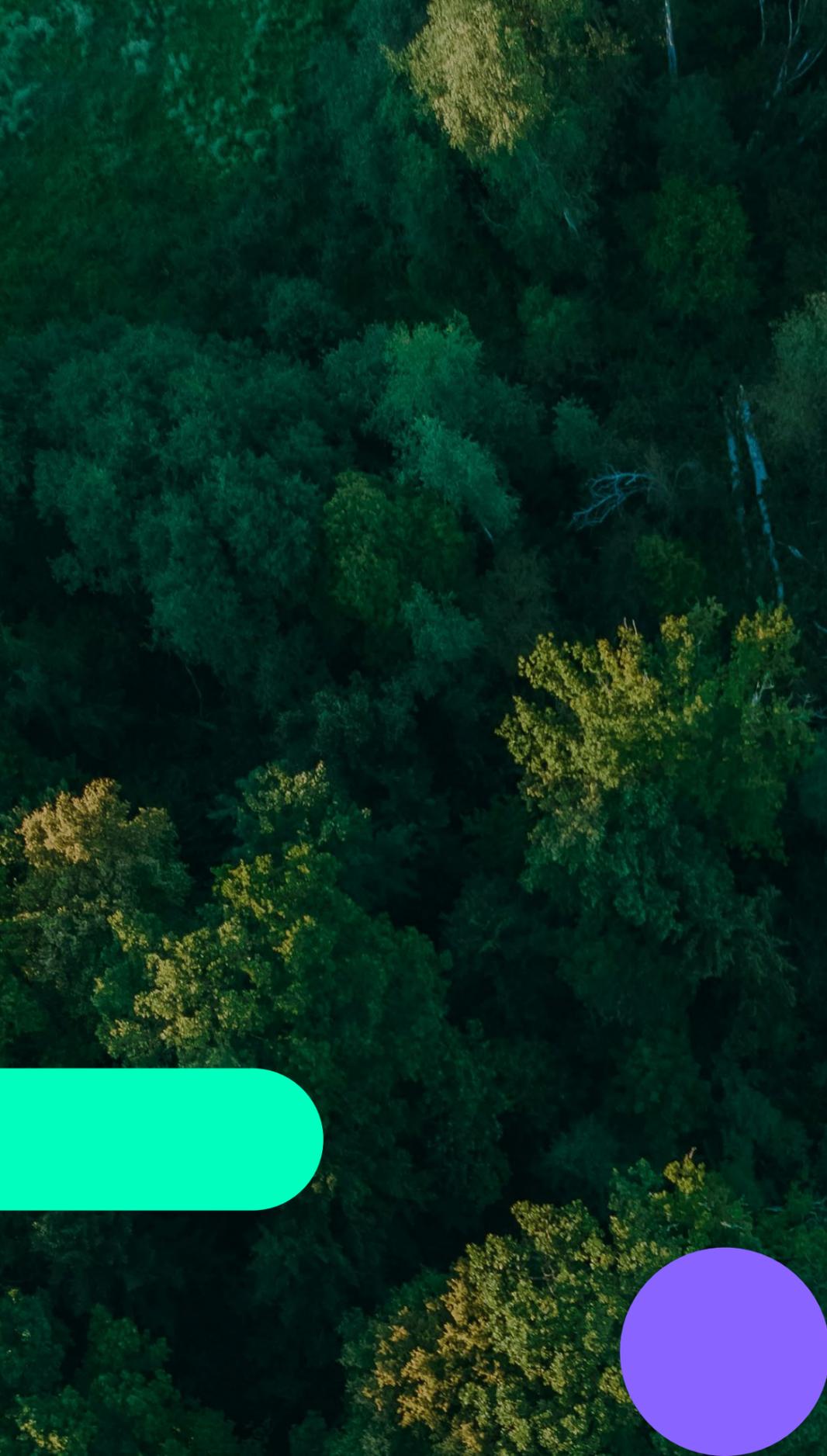
Sustainable procurement has evolved into a core strategic priority for organizations in 2025. A global survey of 105 procurement professionals finds that sustainability has become mainstream in procurement, driven by tighter regulations and the pursuit of business value. The results paint a compelling picture of a discipline in transition, where the integration of ESG principles is gaining traction and delivering clear benefits. Below are key highlights from the survey:

- **Widespread Engagement:** 70% of companies engage in sustainable procurement activities, and 82% consider sustainability to be an important part of their procurement strategy. While only 5% qualify as sustainability “leaders” who fully embed ESG in procurement, the majority have begun implementing initiatives – signaling a broad shift from awareness to action.
- **Strategic Drivers:** Half of organizations are equally motivated by regulatory compliance and strategic objectives. Protecting brand reputation is the top goal (65% of respondents), followed by risk management and resilience (52%), cost reduction and efficiency (44%), and innovation (39%). This demonstrates that companies increasingly view sustainable procurement as a source of competitive advantage.
- **Key Barriers:** The main obstacle is impact measurement. 50% of companies struggle to quantify the outcomes of their sustainability initiatives. Other common challenges include limited budgets (47%), unreliable supplier ESG data (40%), internal silos or misalignment (37%), and skill gaps (33%). These issues highlight the need for better data, tools, and cross-functional collaboration.
- **Integration into Processes:** ESG criteria are steadily being embedded into procurement workflows. 92% of firms assess their suppliers’ sustainability performance at some point in the supplier lifecycle,

first and foremost during the selection process (72%) and pre-qualification (52%). Only 8% do not evaluate supplier sustainability at all, which is a sign that such considerations are becoming standard practice.

- **Tangible Benefits:** 85% of organizations report positive impacts from their sustainable procurement efforts. Common benefits include greater supply chain transparency (41%), stronger supplier relationships (36%), and reduced ESG risks (35%). Many also note smoother compliance audits (31%), improved internal collaboration (24%), and operational efficiencies or cost savings (around 20%). Notably, 32% have already avoided supply chain disruptions or risks thanks to their sustainability initiatives, and another 22% expect risk mitigation as programs mature.
- **ROI & Investment:** To date, 78% of respondents have not yet measured the financial return of their sustainable procurement activities and only 10% have determined a clear ROI. However, the lack of concrete ROI outcomes is not deterring action. 90% plan to invest in sustainability, focusing on staff training, integrating ESG throughout the supplier lifecycle, improving metrics and data systems, measuring impact, and leveraging digital tools. In addition, 86% of respondents agree that the risks of not acting on sustainable procurement are too high to ignore.

Bottom Line: Sustainability is transforming procurement into a driver of resilience, compliance, and long-term value. Organizations recognize that integrating environmental and social factors into supply chain management yields tangible benefits and safeguards their reputation. As regulatory demands rise and stakeholders expect greater accountability, companies are doubling down on sustainability in procurement – despite the challenges of impact measurement.



Contents

01 Introduction

02 Respondent Profile

03 The Strategic Role of Sustainable Procurement

04 Key Drivers of Sustainable Procurement

05 Barriers to Embedding Sustainability in Procurement

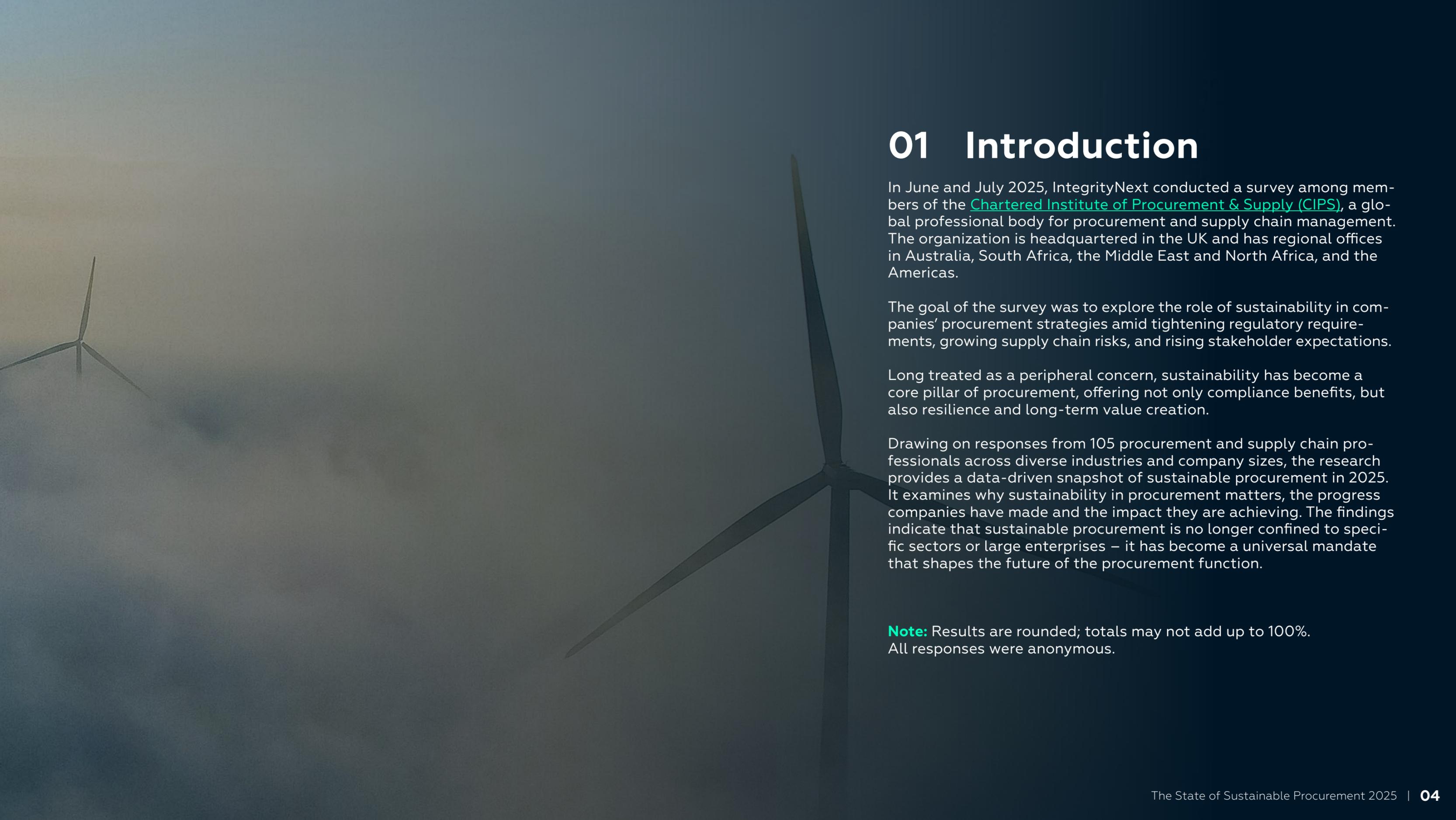
06 Integrating Sustainability Across the Supplier Lifecycle

07 The Benefits of Sustainable Procurement

08 The ROI of Sustainable Procurement

09 Public Sector Spotlight

10 Conclusion and Outlook



01 Introduction

In June and July 2025, IntegrityNext conducted a survey among members of the [Chartered Institute of Procurement & Supply \(CIPS\)](#), a global professional body for procurement and supply chain management. The organization is headquartered in the UK and has regional offices in Australia, South Africa, the Middle East and North Africa, and the Americas.

The goal of the survey was to explore the role of sustainability in companies' procurement strategies amid tightening regulatory requirements, growing supply chain risks, and rising stakeholder expectations.

Long treated as a peripheral concern, sustainability has become a core pillar of procurement, offering not only compliance benefits, but also resilience and long-term value creation.

Drawing on responses from 105 procurement and supply chain professionals across diverse industries and company sizes, the research provides a data-driven snapshot of sustainable procurement in 2025. It examines why sustainability in procurement matters, the progress companies have made and the impact they are achieving. The findings indicate that sustainable procurement is no longer confined to specific sectors or large enterprises – it has become a universal mandate that shapes the future of the procurement function.

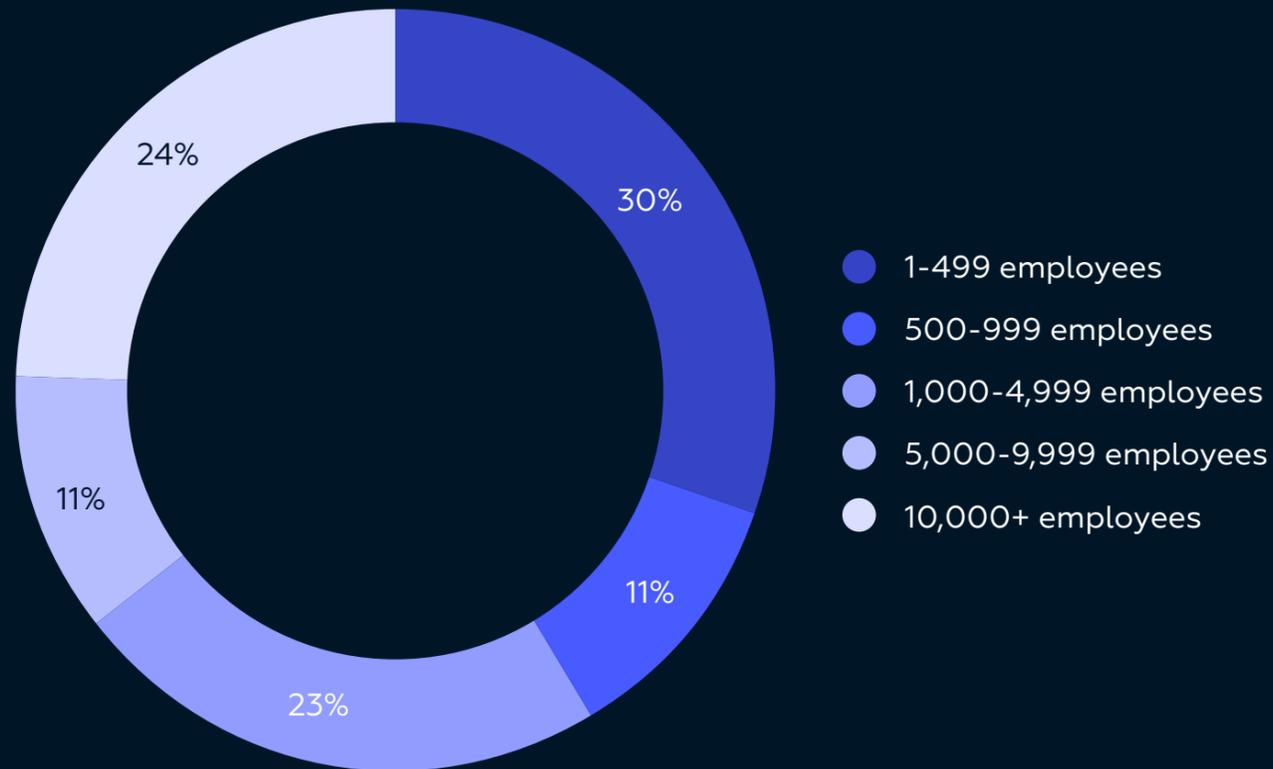
Note: Results are rounded; totals may not add up to 100%. All responses were anonymous.

02 Respondent Profile

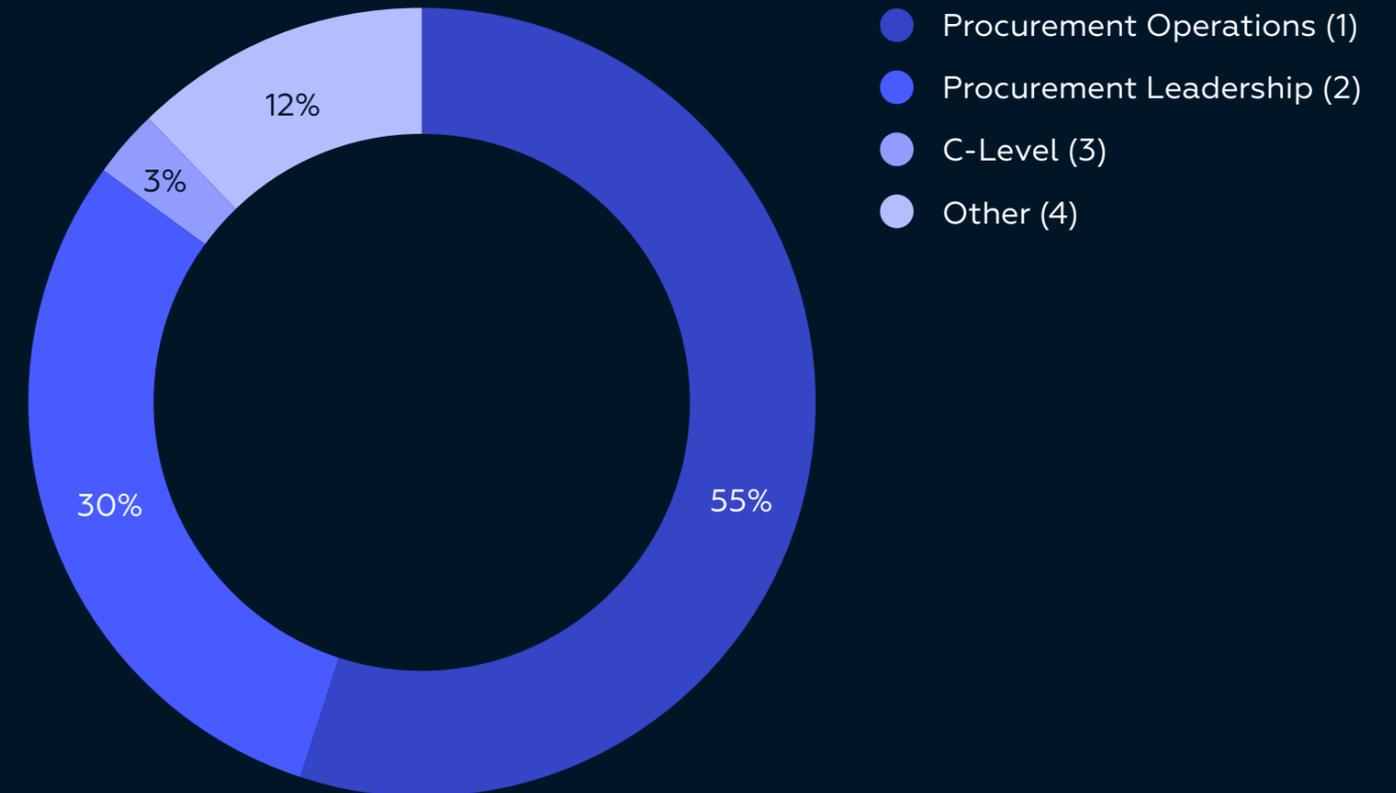
The survey received 105 responses from procurement professionals across a range of industries and company sizes. About one third hold procurement leadership roles, more than half work in procurement operations, and 8% have explicit sustainability responsibilities.

Participating companies range from fewer than 500 employees to more than 10,000 employees, capturing perspectives from SMEs to global enterprises.

Company Size

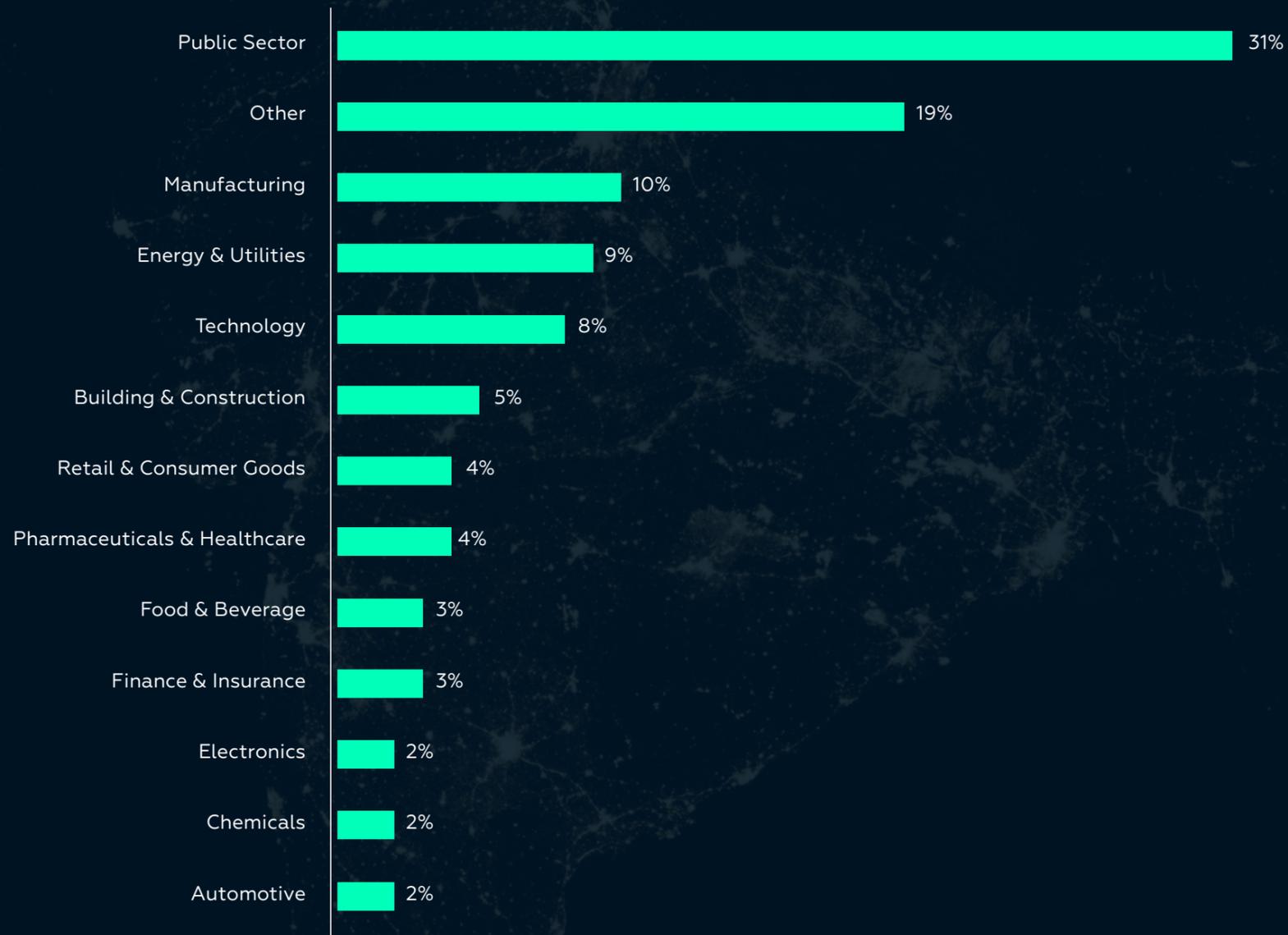


Job Function



- (1) procurement managers and officers, category managers, supply chain managers
- (2) heads of procurement, procurement directors, and other senior roles
- (3) CPOs, CEOs, company founders
- (4) product managers, commercial managers, logistics managers, and other roles

Industry



The sample represents a broad cross-section of industries. It is led by the public sector (31%), followed by manufacturing (10%), energy and utilities (9%), and technology (8%). Another 19% selected "Other," spanning telecommunications, consulting, legal services, and additional sectors.

The sample is highly UK-centric: 80% of participating companies are based there. The remainder come from continental Europe – including Germany, Austria, France, Switzerland – the United States, and several other countries.

What it means: The diversity of respondents provides both strategic and practical insights into today's procurement challenges. It also underscores the growing relevance of sustainability across the economy, from brand-sensitive sectors to highly regulated industries.

Country



03 The Strategic Role of Sustainable Procurement

The surveyed companies are at varying stages of maturity in sustainable procurement. Their distribution follows a bell-shaped curve centered around the middle.

Only 5% identify as “leaders”, with sustainability fully embedded across the procurement lifecycle. 24% consider themselves “experts” and have clear processes and systems in place. The largest group (41%) are “practitioners” who have implemented some initiatives but not yet scaled sustainability across their procurement activities. 26% are just getting started, while 5% do not address the topic at all.

With an average score of 3.5 out of 5 – on a scale from 1 (not at all important) to 5 (top priority) – companies are increasingly prioritizing sustainability as part of their core business planning.

What it means: More than two-thirds of organizations have transitioned from awareness and intention to action, demonstrating that sustainability initiatives are embedded in their operations to varying degrees. This maturity signals their readiness to implement strategic programs with broader impact, setting the stage for measuring and realizing ROI from their efforts. There is broad consensus that sustainability matters, with only 18% failing to incorporate it adequately into their procurement strategies.

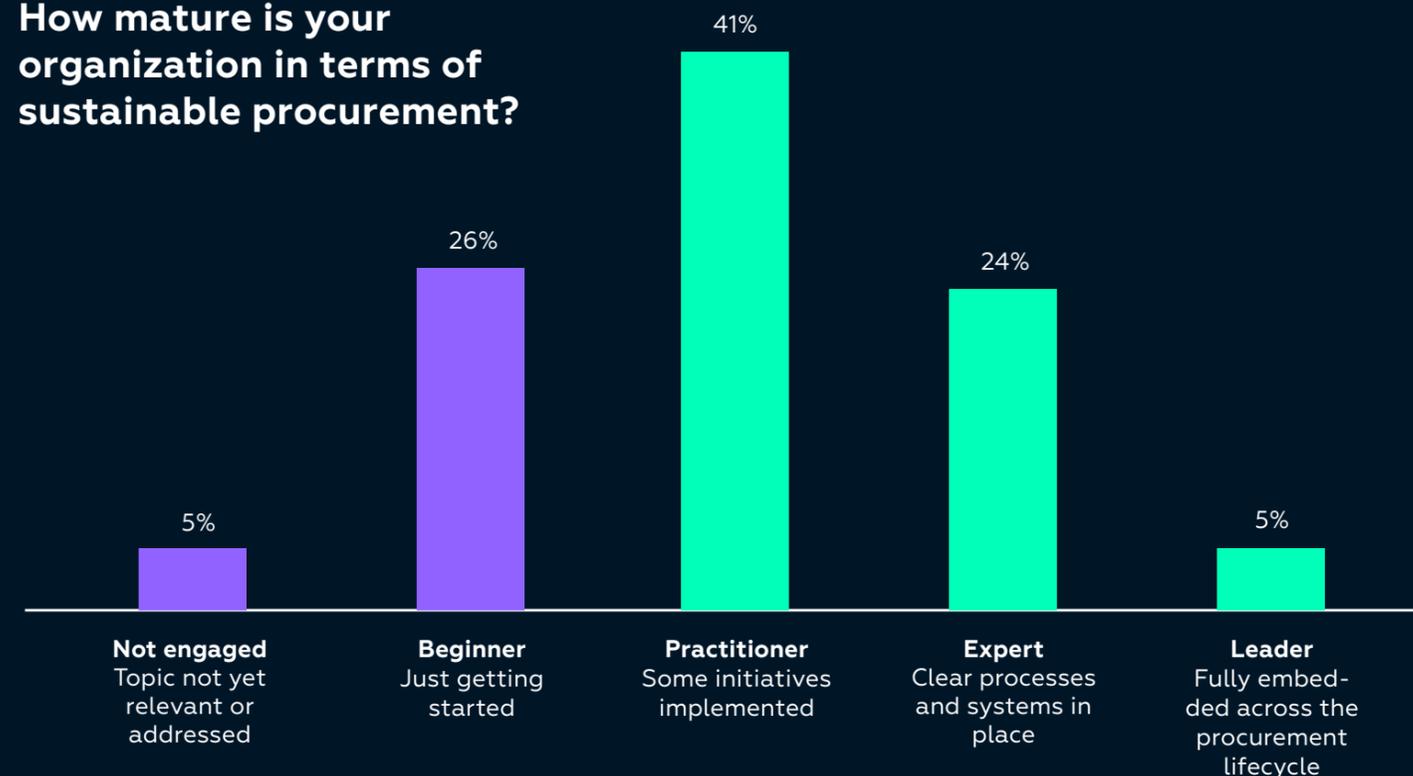
70%

of companies have implemented sustainable procurement initiatives

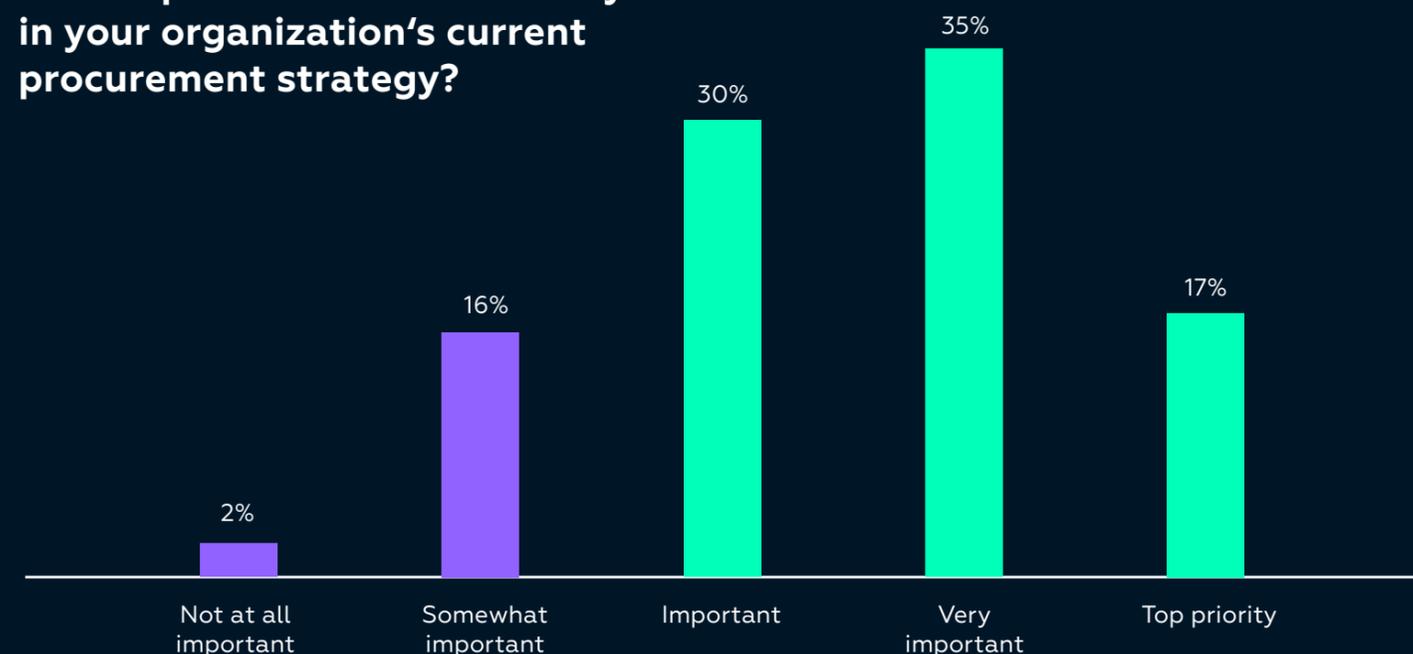
82%

consider sustainability a strategic priority in procurement

How mature is your organization in terms of sustainable procurement?



How important is sustainability in your organization’s current procurement strategy?



04 Key Drivers of Sustainable Procurement

What is prompting companies to invest in sustainable procurement in 2025? 50% of organizations are motivated by regulatory requirements and strategic objectives in equal measure.

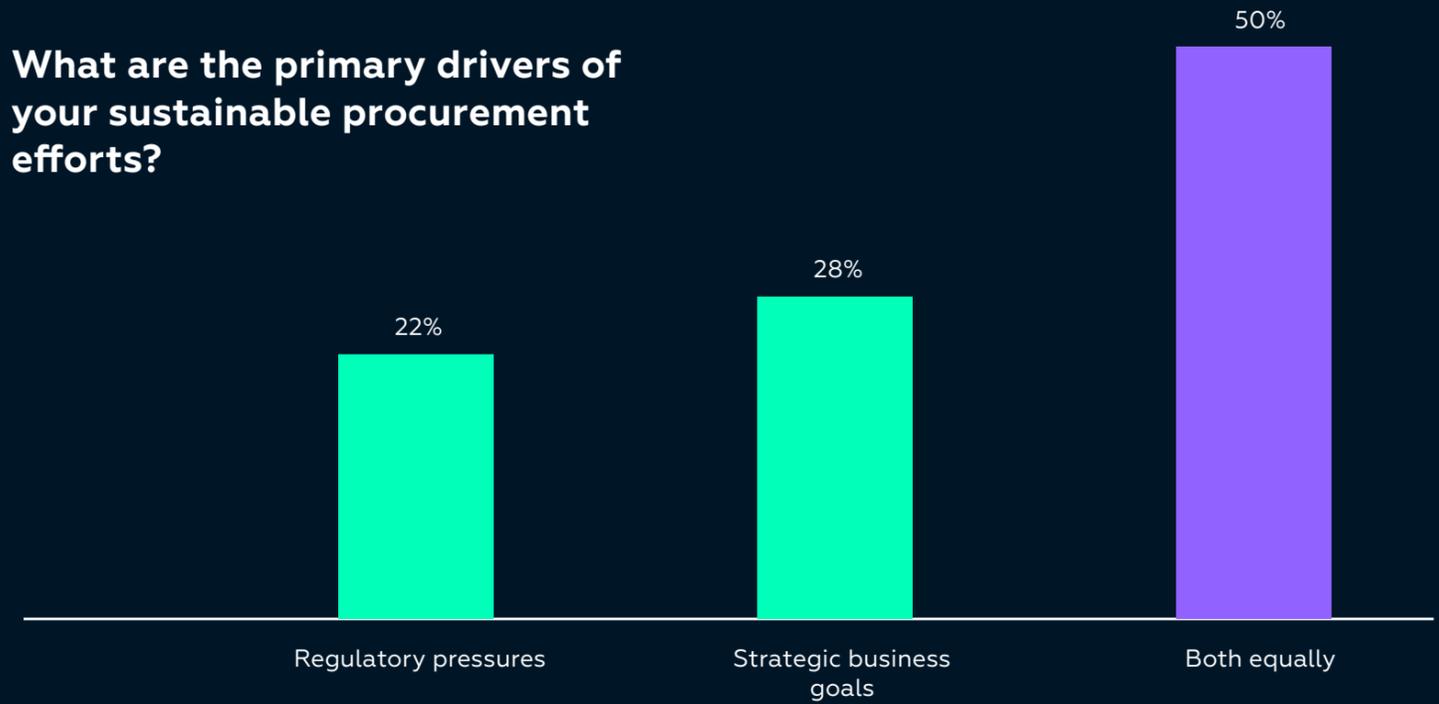
Among those who lean one way, 28% cite strategic business goals as a key priority, while 22% name regulatory pressures as the main driver.

The top strategic business goals driving investment in sustainable procurement are brand reputation (65%), risk management and resilience (52%), cost reduction and operational efficiency (44%), and innovation (39%).

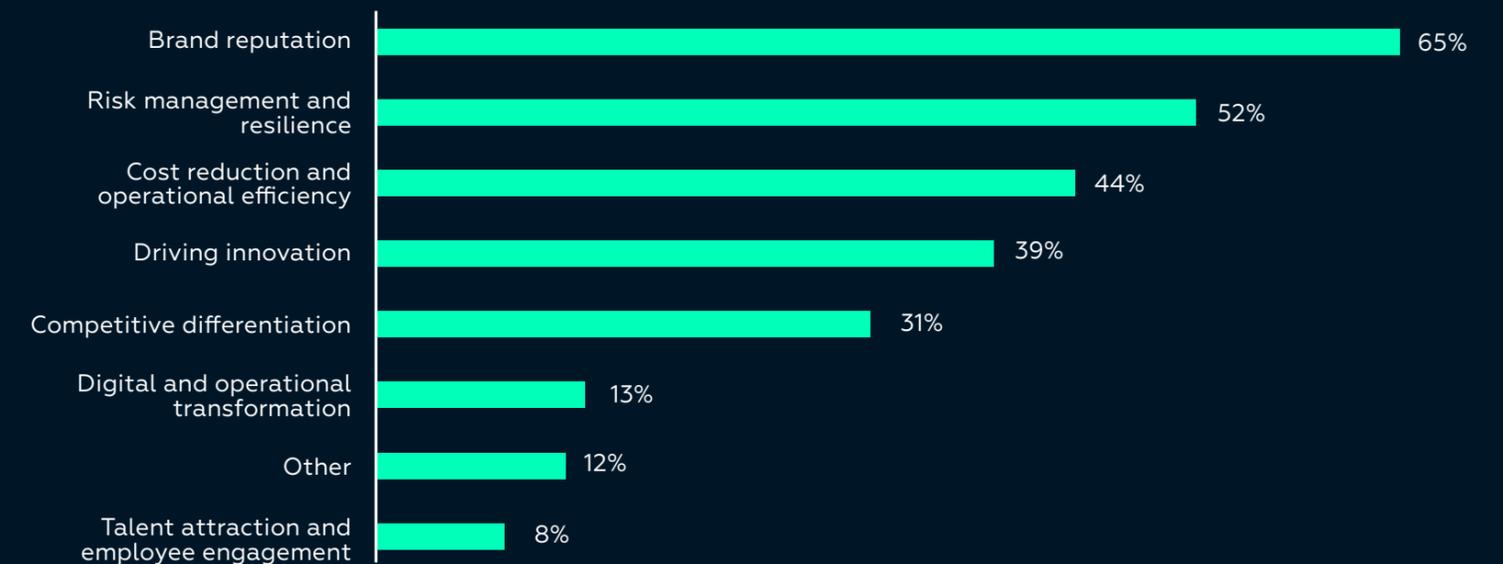
What it means: While regulatory pressure is often the primary catalyst, the findings show that strategic business goals carry equal weight. This suggests that compliance and business value considerations often go hand in hand. Embedding sustainability in procurement isn't just a box-ticking exercise – it can protect brand reputation, strengthen risk management, lower cost, drive innovation, and help build a competitive edge.

78% of companies cite strategic business goals as an important driver of their sustainable procurement efforts

What are the primary drivers of your sustainable procurement efforts?



What are the top strategic business goals driving investment in sustainable procurement (multiple responses allowed)?



05 Barriers to Embedding Sustainability in Procurement

Despite strong drivers, respondents identified several obstacles to integrating sustainability into procurement and supply chain management. The most commonly cited barrier is the difficulty of measuring impact (50%), followed by cost and budget constraints (47%), and a lack of reliable supplier ESG data (40%).

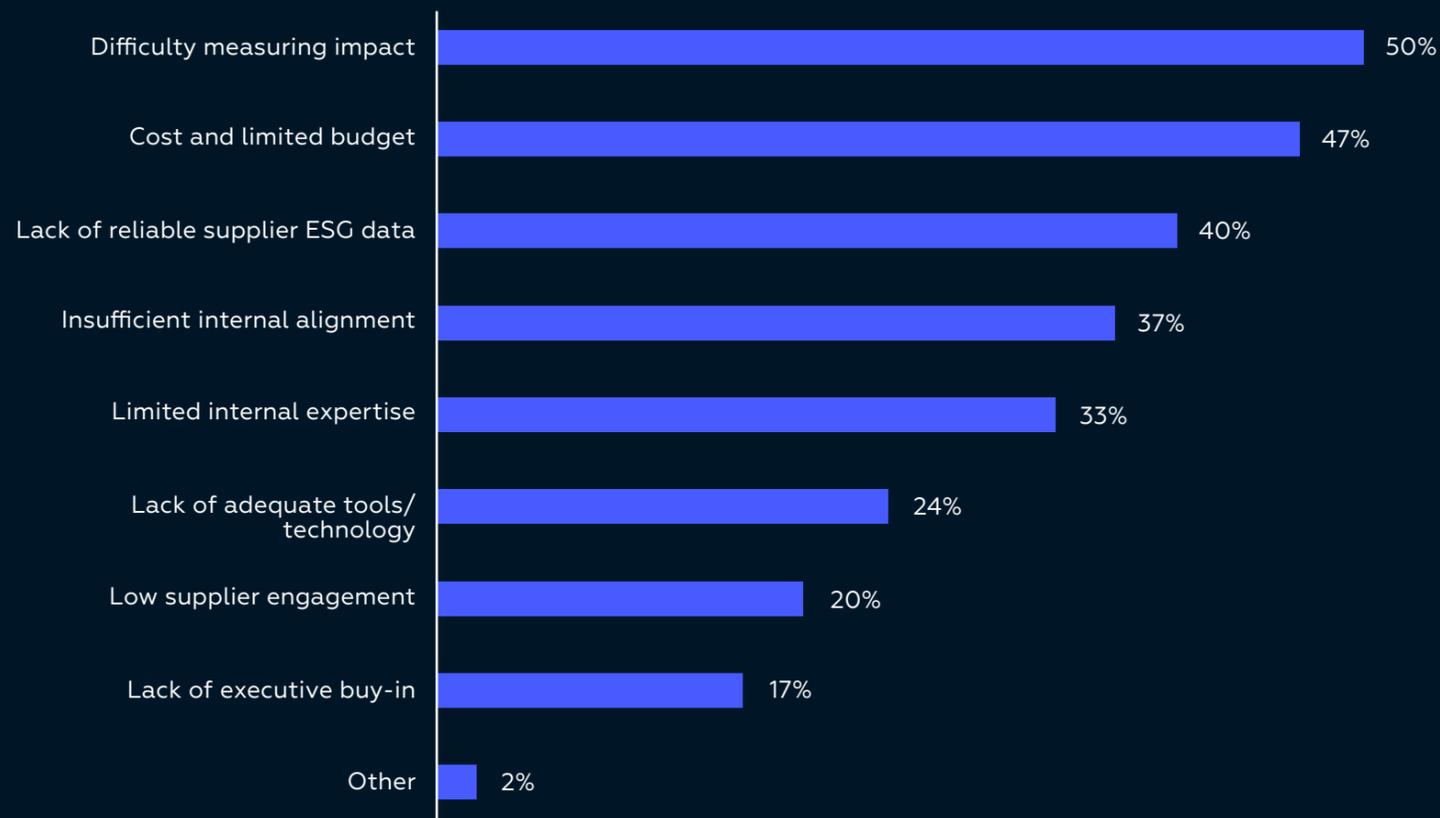
Other significant challenges include insufficient internal alignment (37%) – for example fragmented responsibilities and low cross-functional buy-in – and limited internal sustainability expertise (33%). In addition, 24% highlight inadequate tools or technology to manage today’s increasingly complex sustainability requirements.

What it means: Impact measurement is a major concern for companies. Quantifying the environmental, social, and financial benefits (ROI) remains difficult, underscoring the need for robust metrics and granular data to build internal momentum amid competing budget priorities.

Procurement teams also struggle to obtain accurate, reliable information on suppliers’ sustainability performance, hampering their ability to make informed decisions and monitor compliance. This highlights the importance of forging strategic partnerships, strengthening supplier engagement, and supporting capacity-building.

Overcoming these barriers will be critical for organizations seeking to progress from early-stage efforts to fully embedded sustainable procurement practices.

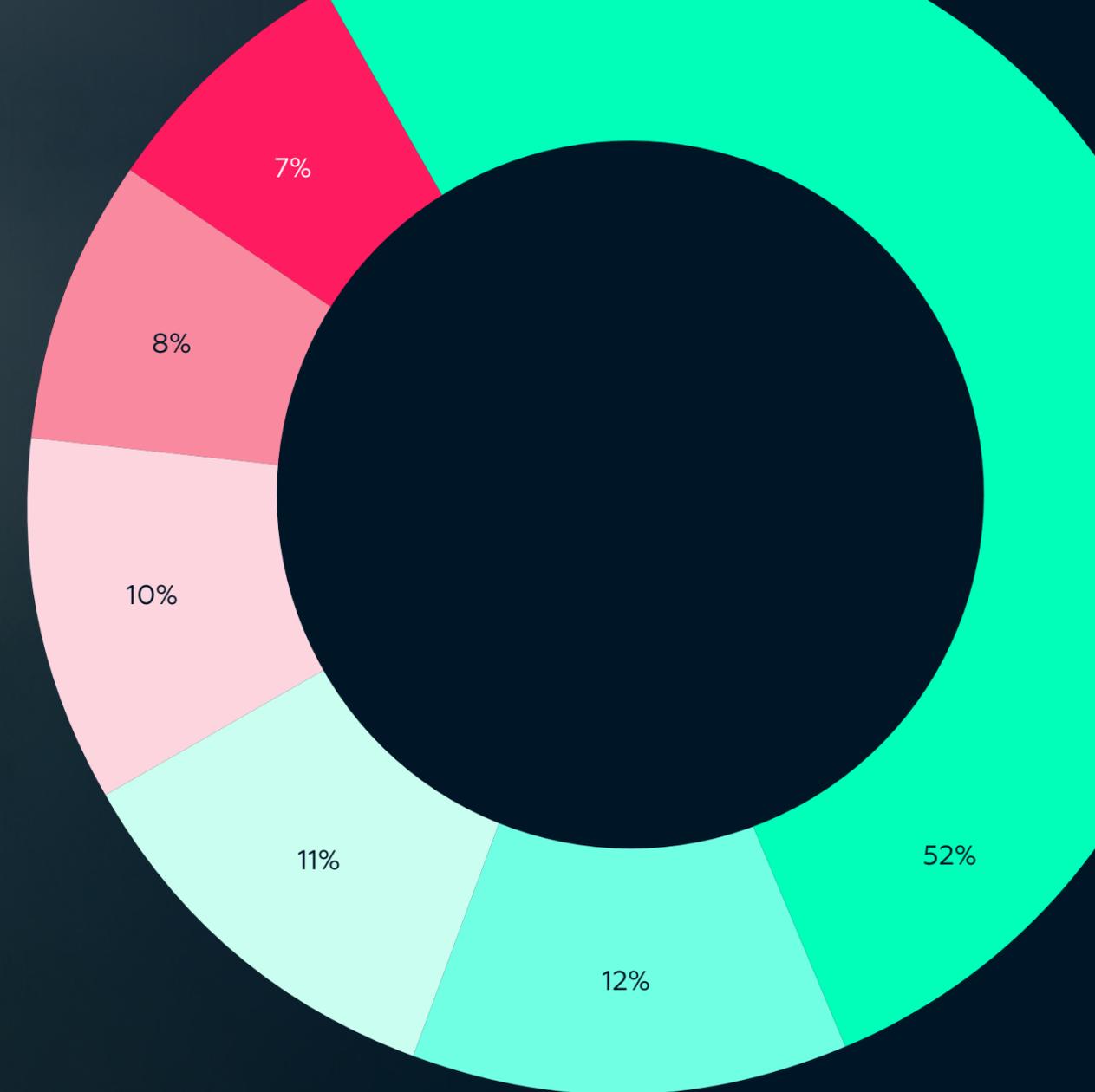
What are the top barriers to embedding sustainability into procurement (multiple responses allowed)?



50% of companies struggle to measure the impact of their sustainability efforts

64% of companies are maintaining or stepping up their sustainable procurement efforts despite global uncertainty.

How are global developments (regulatory uncertainty, geopolitical conflicts etc.) affecting your ongoing and future sustainable procurement efforts?



It's also worth noting how global developments, such as regulatory uncertainty, trade disruptions, and geopolitical conflicts, affect supply chain sustainability efforts.

Despite these external headwinds, 52% of companies are maintaining their strategic focus on sustainable procurement. Notably, 12% plan to accelerate their sustainability investments.

While for 8% sustainable procurement was never on the agenda to begin with, the remaining 28% are taking a cautious approach – pausing, delaying, or scaling back their efforts.

What it means: External pressures can act as both catalysts and constraints. Most companies are staying the course or even doubling down in the face of global challenges – perhaps viewing [sustainability as a way to build resilience](#) amid mounting uncertainty. About a quarter are slowing down their initiatives, likely due to resource limitations and shifting priorities.

- No impact – sustainable procurement continues to be a strategic priority
- We are accelerating investments in sustainable procurement
- We are pausing our efforts to reassess
- We are delaying our plans
- No impact – sustainable procurement is currently not relevant
- We are scaling back or canceling our plans

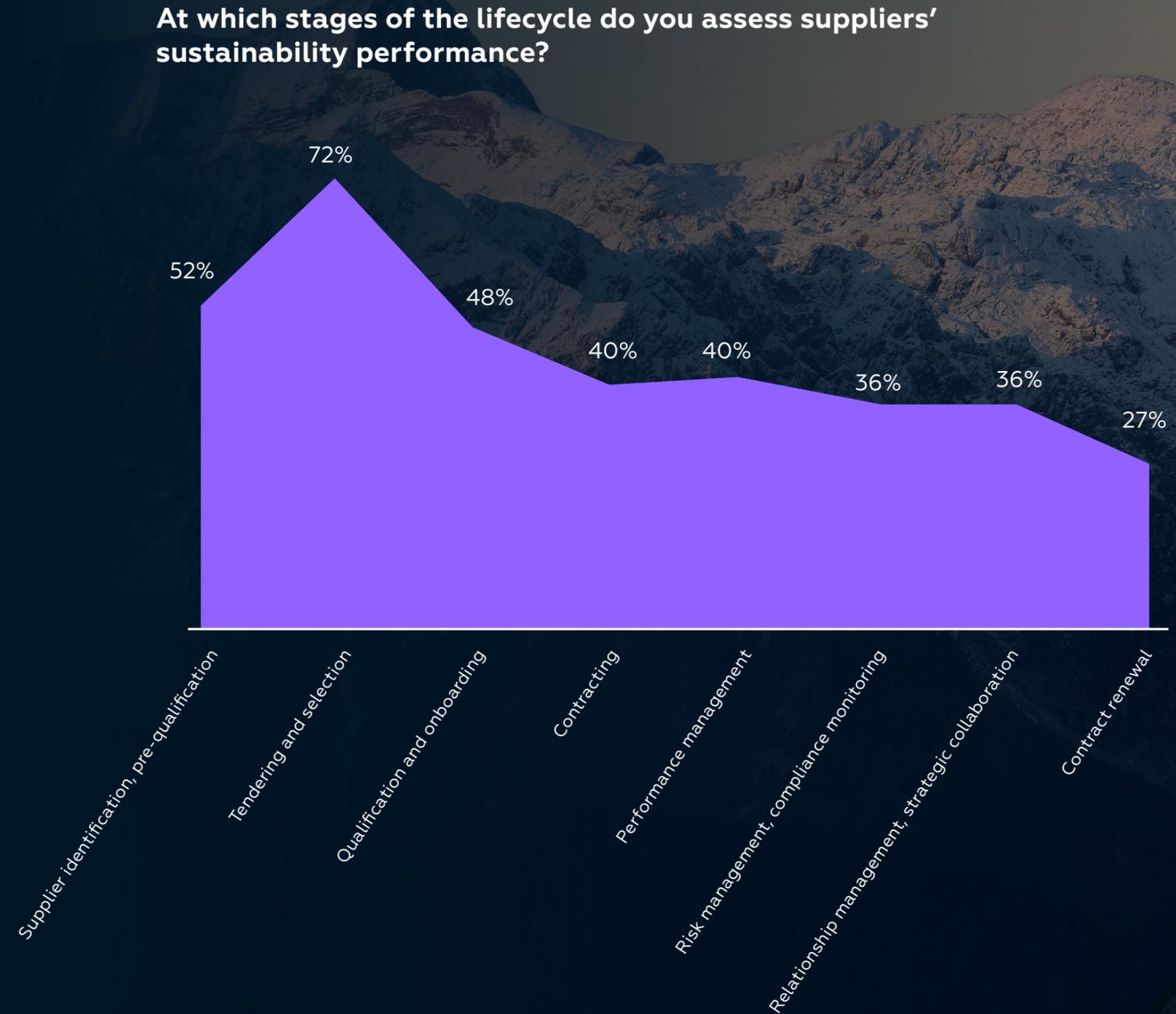
06 Integrating Sustainability Across the Supplier Lifecycle

A strong indicator of a company's sustainable procurement maturity is how systematically business practices are assessed throughout the supplier lifecycle.

Many organizations embed sustainability checks early in the process. 72% assess ESG performance during supplier tendering and selection, and 52% during initial supplier identification and pre-qualification – essentially making sustainability a gatekeeper before suppliers are even considered as potential business partners. 48% conduct sustainability assessments during qualification and onboarding, around 40% include ESG factors in contracting and ongoing performance management reviews, and roughly one third cover the remaining stages.

Only 8% of companies do not assess supplier sustainability at all, while 7% consider it across all stages of the lifecycle.

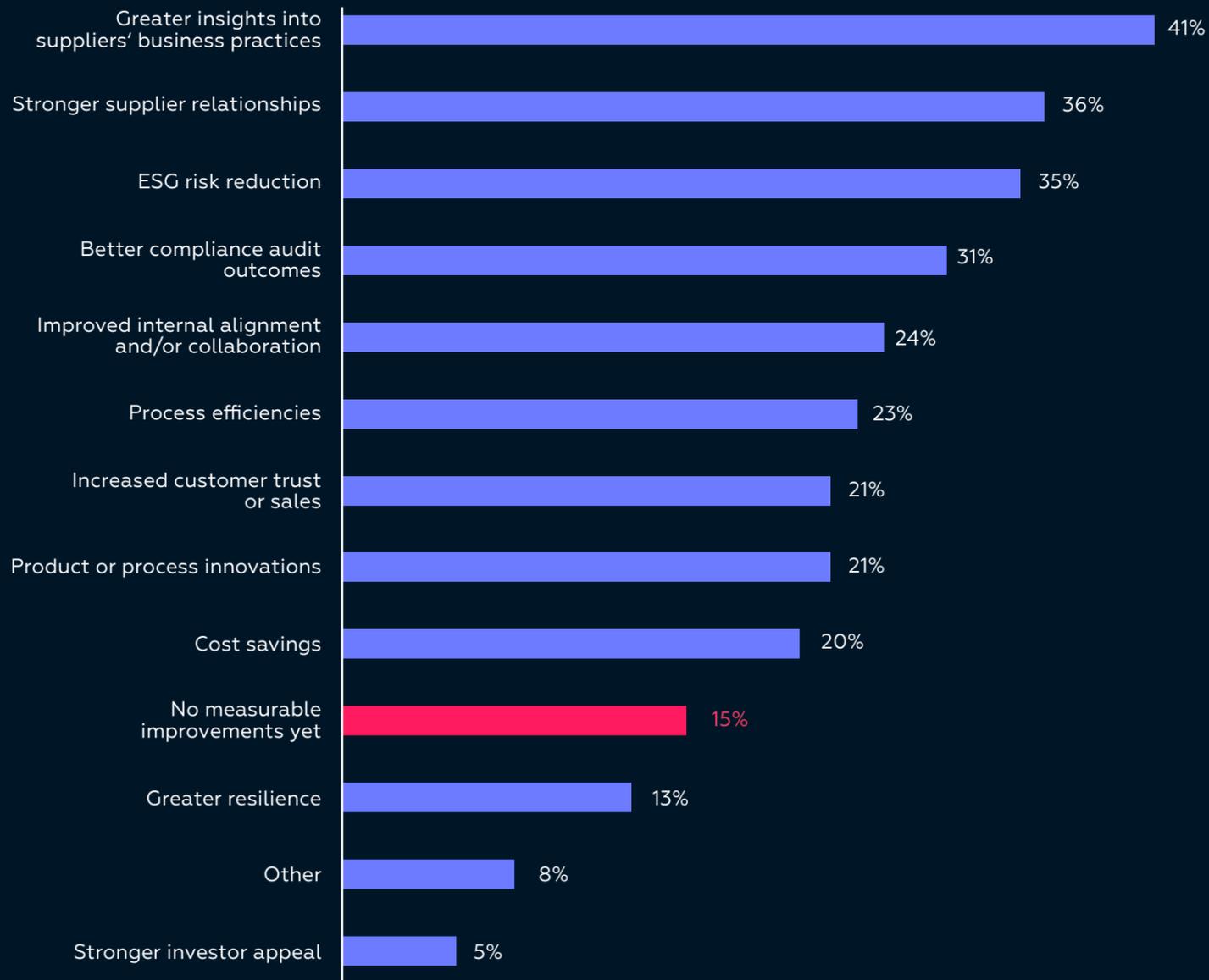
What it means: Sustainable procurement is increasingly operationalized, particularly in the early stages, to ensure collaboration with responsible suppliers from the outset. The widespread integration of sustainability into monitoring and performance reviews demonstrates a commitment to continuous oversight. However, there are opportunities to expand coverage to later stages of the lifecycle.



92%

of companies assess sustainability performance at one or more stages of the supplier lifecycle

Has your organization seen any of the following measurable impacts as a result of your sustainable procurement initiatives (multiple responses allowed)?



07 The Benefits of Sustainable Procurement

Many organizations are already reaping the rewards of their sustainable procurement initiatives.

41% have gained transparency by engaging with suppliers and collecting data on their business practices. Just over a third of respondents have strengthened their supplier relationships (36%), building trust and more stable, long-term partnerships, while also mitigating sustainability risks (35%).

Compliance and governance benefits are notable as well: 31% report better compliance audit outcomes – audits and regulatory checks run more smoothly thanks to sustainable procurement practices. Additionally, 24% report improved internal alignment and cross-departmental collaboration, likely because sustainable procurement requires coordination across different teams.

Operational efficiencies (23%), innovation (21%), and direct cost savings (20%) are evident too – demonstrating that sustainable choices can reduce costs and spur creative solutions. Only 15% of respondents have not seen any positive outcomes.

What it means: Overall, these benefits underscore that sustainable procurement delivers value on multiple fronts – from greater resilience and improved compliance to efficiency gains and innovation. The findings make a compelling case for continued or expanded investment in sustainability.

85% of companies see measurable benefits from their sustainable procurement efforts

32% of companies indicate that their sustainable procurement activities have helped prevent or mitigate supply chain disruptions and risks caused by forced labor incidents, environmental violations, or regulatory sanctions.

Another 22% anticipate future risk mitigation as their initiatives mature. While 25% of respondents have not yet observed any measurable impact, 21% say that they're not tracking the impact of their efforts.

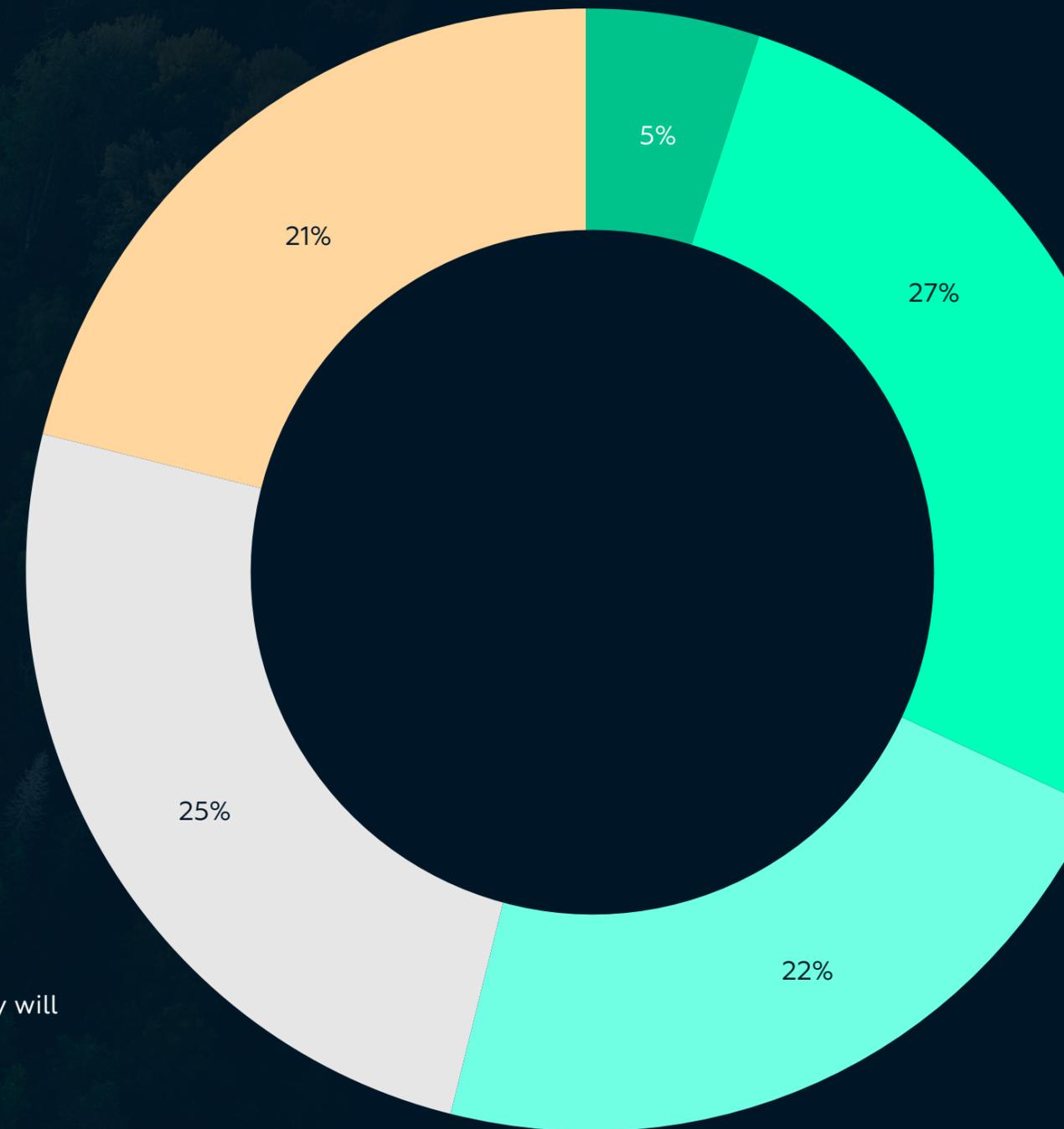
What it means: Sustainability has significant potential to reduce risk. However, many organizations are still building their impact measurement capabilities or are not assessing the links to risk mitigation. This reinforces the earlier point that developing good metrics and tracking mechanisms is important. Many organizations may be strengthening resilience without formally attributing it to their sustainable procurement actions.

If a procurement department can demonstrate that sustainability initiatives reduce the probability of supply chain disruptions or compliance risks, or improve on-time delivery and supplier performance, those outcomes have financial implications. Even if formal ROI calculations aren't performed in every case, the value drivers are clear.

54%

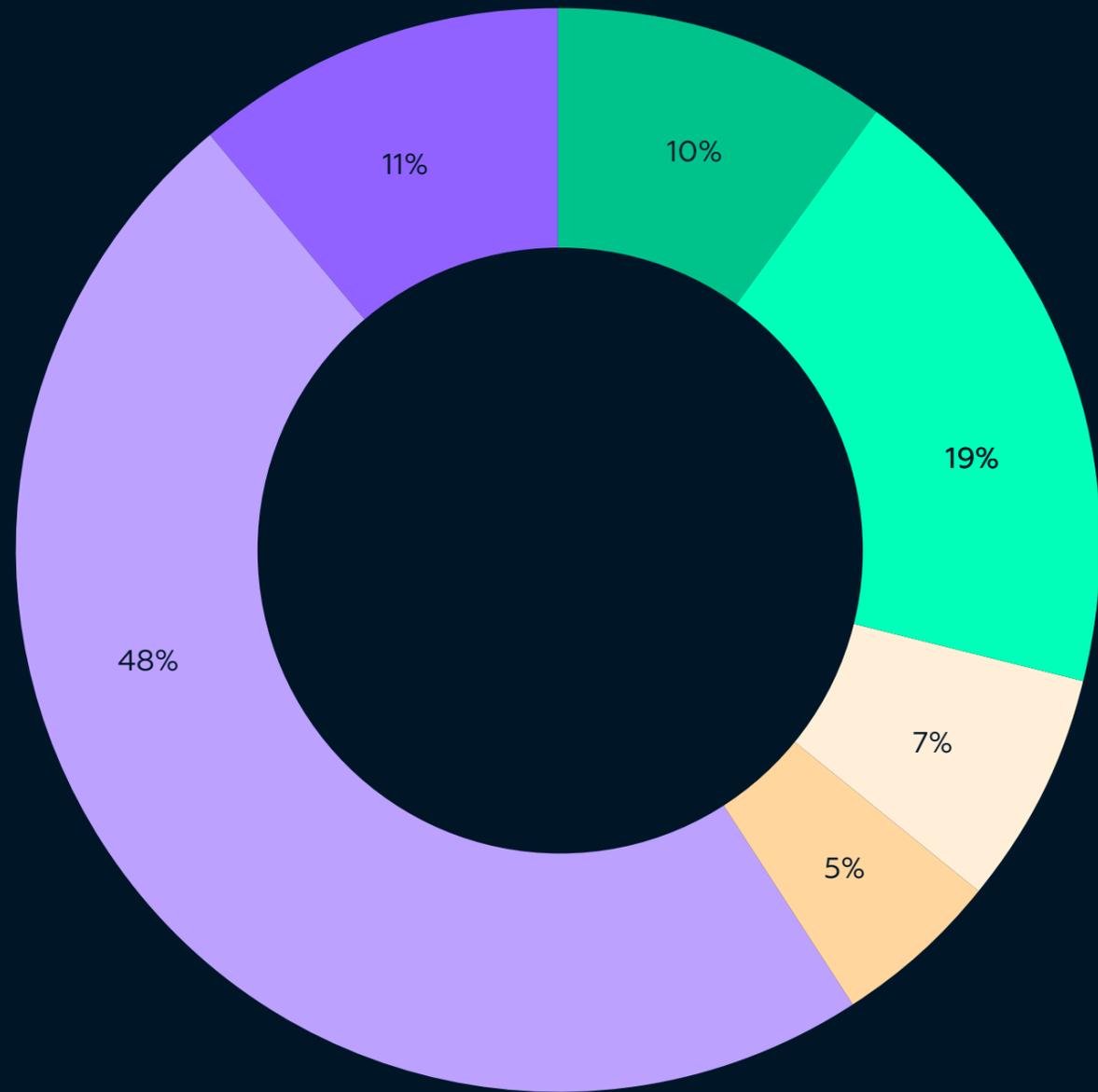
of companies already see or expect supply chain risk mitigation from sustainable procurement

Have your sustainable procurement activities helped mitigate supply chain disruptions or risks?



- Yes, significantly
- Yes, to some degree
- Not yet, but we expect they will
- No measurable impact
- We don't track this

Has your organization measured the ROI of its sustainable procurement initiatives?



- Yes, and we've seen a clear ROI
- Not yet, but we've observed clear benefits
- Yes, but the results were inconclusive
- Yes, but the ROI was not evident
- Not yet, but we're working on it
- No, and we don't plan to measure it

08 The ROI of Sustainable Procurement

For most organizations, demonstrating a clear return on investment (ROI) for sustainable procurement remains a work in progress.

Only 10% of respondents have measured and proven a clear ROI. For 7%, assessments were inconclusive, and 5% were unable to identify a return. Another 19% of companies have observed obvious benefits but have not yet translated them into ROI figures.

Overall, 78% have not yet established a quantified ROI for their sustainable procurement efforts. Encouragingly, 48% are in the process of developing metrics or gathering the required data.

What it means: Quantifying the financial return of sustainability initiatives is challenging and many companies are still in the early stages of doing so. Still, the absence of a clear ROI has not deterred organizations from investing in sustainable procurement, most recognize the inherent benefits.

A more rigorous impact evaluation will help procurement teams secure funding and executive buy-in by demonstrating concrete financial value – complementing the qualitative benefits already observed.

78% of respondents have not yet determined the ROI of their sustainable procurement activities

“The absence of a clear ROI has not deterred organizations from investing in sustainable procurement, most recognize the inherent benefits.”

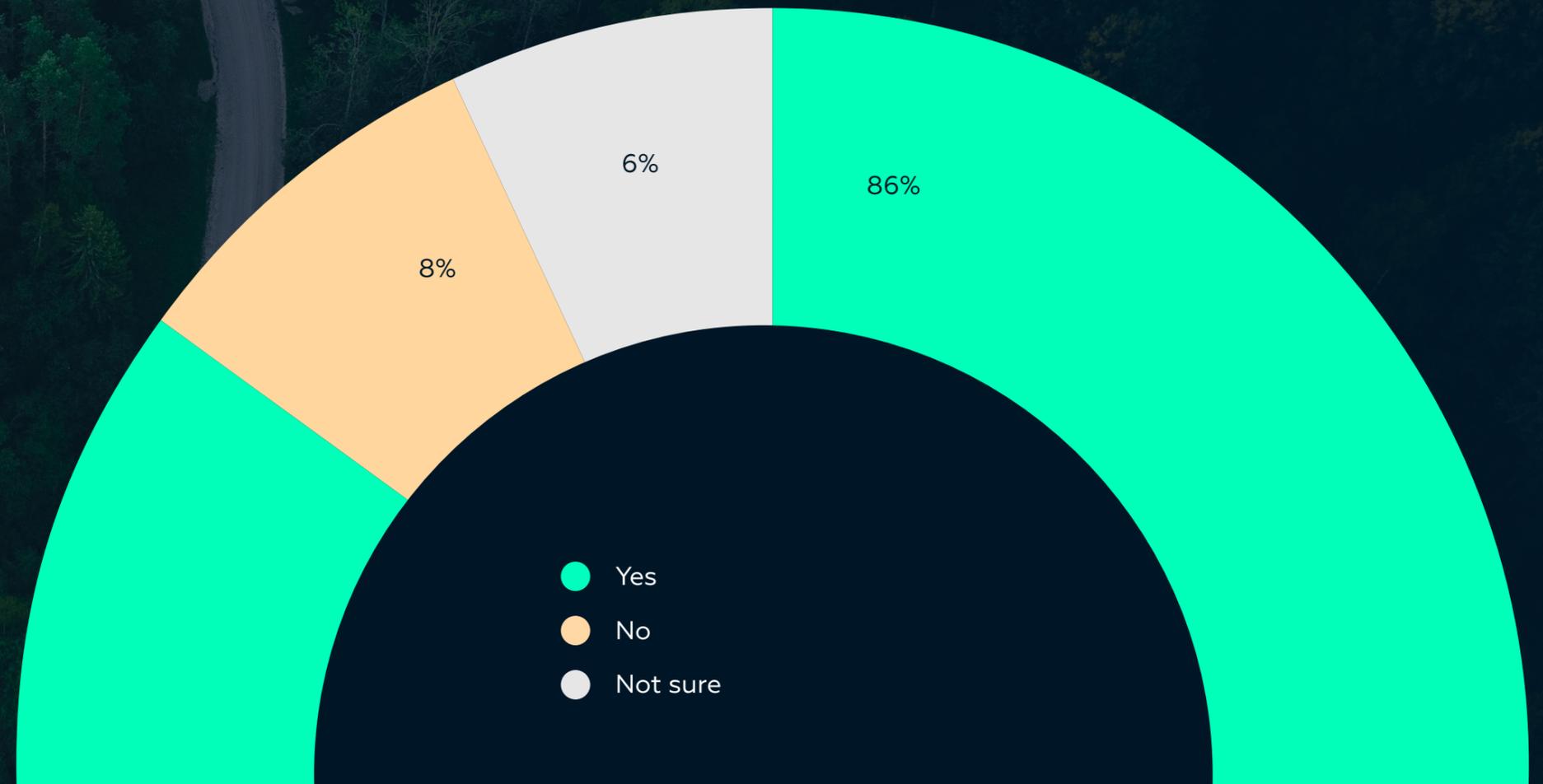
86% of companies say that failing to invest in sustainable procurement poses significant risks.

86% of respondents explicitly acknowledge that failing to invest in sustainability is risky, for example due to reputational harm, missed efficiency and innovation opportunities, regulatory sanctions, and loss of investor or customer trust.

This implicitly justifies the idea that an immediate cost-benefit analysis is not always necessary. Often, the business case for sustainable procurement rests on risk avoidance and alignment with stakeholder expectations, in addition to any direct savings or revenue gains.

What it means: The results highlight a widespread belief that the cost of inaction outweighs the challenges of measuring short-term financial returns – framing sustainable procurement as a strategic necessity. In short, both intent and urgency are high, and most organizations recognize the importance of sustainable procurement and associated risks.

Do you believe that not investing in sustainable procurement carries significant risks for your organization?



Given the importance companies attribute to sustainable procurement, it is no surprise that 90% of respondents are planning investments across a wide range of areas, with internal training, stronger teams, and improved cross-departmental collaboration taking center stage (combined 74%).

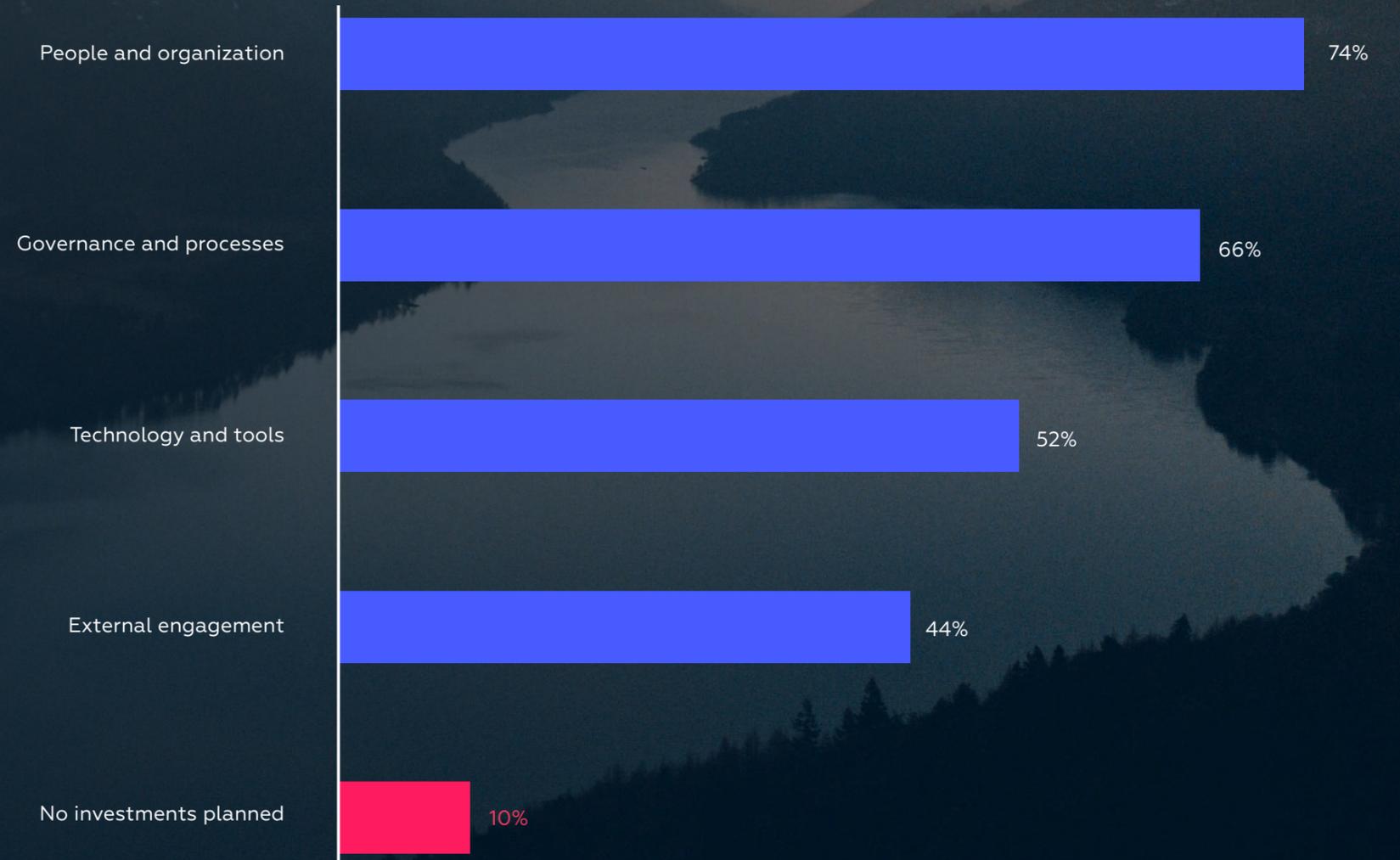
Top 3 investment priorities

The need for internal training and upskilling, mentioned by more than half of the respondents, reflects a growing recognition that building knowledge and skills is critical to sustainable procurement success.

Embedding sustainability across the supplier lifecycle is considered crucial by nearly half of the companies – signaling a shift from isolated or ad-hoc checks to a more systematic approach.

Impact measurement capabilities, such as developing KPIs and reporting frameworks to track performance, were identified as a key focus for investment. This corroborates the earlier finding that impact measurement is one of the main barriers to successfully incorporating sustainability into procurement.

Which areas are you prioritizing for investment to advance sustainable procurement and supply chain sustainability (multiple responses allowed)?



Investment priorities in order of relevance

People and Organization

1. Internal training and upskilling
2. Creating dedicated roles and strengthening internal teams
3. Improving cross-departmental collaboration

Governance and Processes

1. Embedding sustainability throughout the supplier lifecycle
2. Impact measurement (KPIs etc.)
3. Centralizing or aligning internal processes

Technology and Tools

1. Supply chain sustainability software (e.g. risk assessments)
2. Procurement systems with ESG capabilities
3. Technologies enhancing traceability & transparency
4. System interoperability and ESG data integration

External Engagement

1. Supplier co-innovation (e.g. joint pilot projects, R&D)
2. Supplier training and capacity building
3. Industry partnerships or multi-stakeholder initiatives

What it means: Despite the difficulty of quantifying ROI outcomes, 90% of companies plan to invest more in supply chain sustainability. They are pursuing a balanced mix of capacity building, process integration, digital tools, and supplier engagement – with human capital development and governance improvements at the forefront – signaling their intent to drive organizational change.

Since measuring impact was identified as the top barrier to embedding sustainability in procurement (cited by 50%), it's unsurprising that companies are investing in metrics, KPIs, and reporting to demonstrate value and progress.

90% of companies plan to invest in sustainable procurement and supply chain sustainability – even when clear ROI outcomes are lacking.

09 Public Sector Spotlight

Public sector organizations account for the largest share of survey participants (31%). From a sustainable procurement perspective, the industry operates under distinct conditions compared to the private sector. These differences shape both priorities and constraints, and the results should be interpreted in that context.

Public procurement is often bound by national and international laws and policy-driven sustainability goals – spanning topics such as carbon emissions, the circular economy, and social equity. Public accountability and transparency are guiding principles, demanding traceability and defensible decision-making.

Challenges specific to the public sector include:

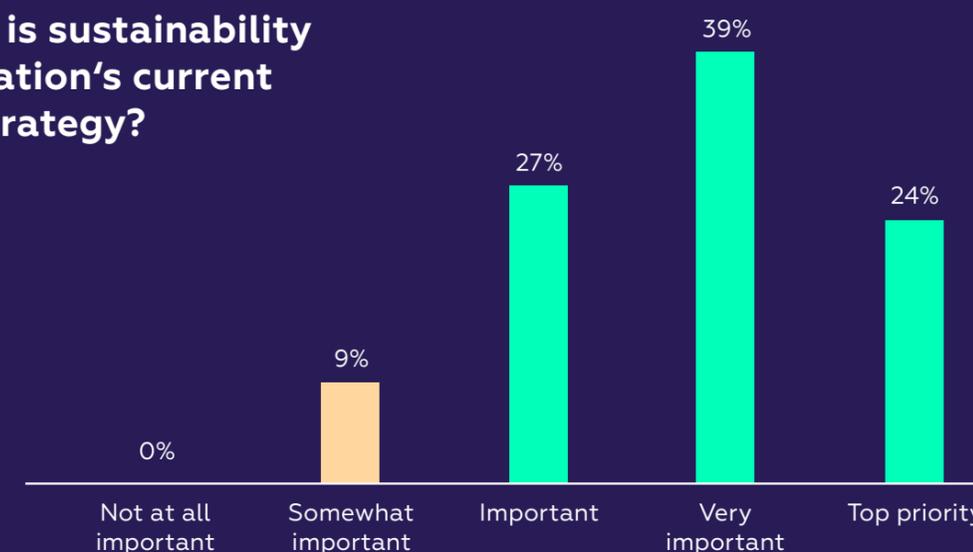
- **Lower flexibility and speed:** Competitive bidding rules, procedural transparency, and stakeholder complexity can limit agility.
- **Political agenda:** Sustainability goals may shift with changes in leadership or policy direction.
- **Budget constraints:** Limited resources require trade-offs between sustainability and other priorities.
- **Capacity gaps:** Some entities lack in-house expertise and tools to measure and manage sustainability impacts, increasing reliance on external support.

The survey shows that public sector organizations are at the forefront of sustainable procurement. While 70% of the full sample engage in sustainable procurement activities, the share among public sector respondents is slightly higher at 79%. Likewise, 91% consider sustainability to be strategically important in procurement, versus 82% across the full sample.

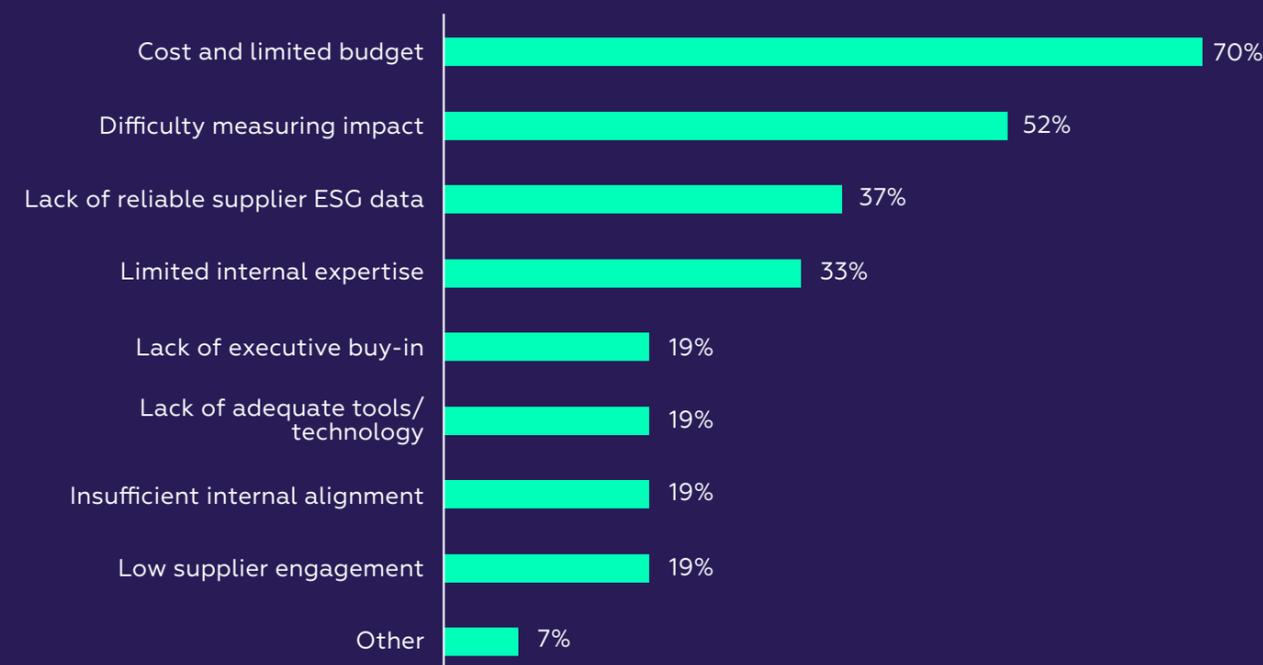
91%

of public sector organizations consider sustainability a strategic priority in procurement

How important is sustainability in your organization's current procurement strategy?



What are the top barriers to embedding sustainability into procurement (multiple responses allowed)?



78% of public sector organizations are maintaining or stepping up their sustainable procurement efforts amid global uncertainty.

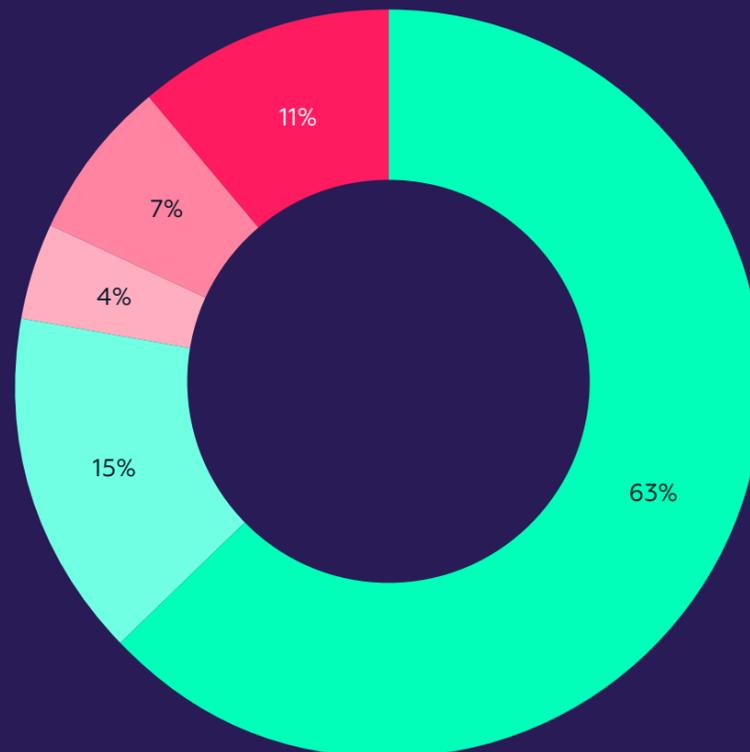
Public-sector respondents report familiar barriers to embedding sustainability in procurement. Measuring impact ranks highly (52% vs. 50% overall). However, cost and budget constraints are even more acute (70% vs. 47%). Conversely, internal alignment and fragmented processes are cited less often (19% vs. 37%).

External developments – such as regulatory uncertainty, trade disruptions, and geopolitical conflicts – also shape the sector’s efforts. 63% are maintaining their strategic focus on sustainable procurement despite headwinds (vs. 52% overall), and 15% are accelerating investments (vs. 12%).

The public sector attaches great importance to the role of sustainable procurement in risk management. 70% of respondents agree that failing to invest in sustainability carries significant risks – a substantial share, albeit lower than the full-sample figure (86%).

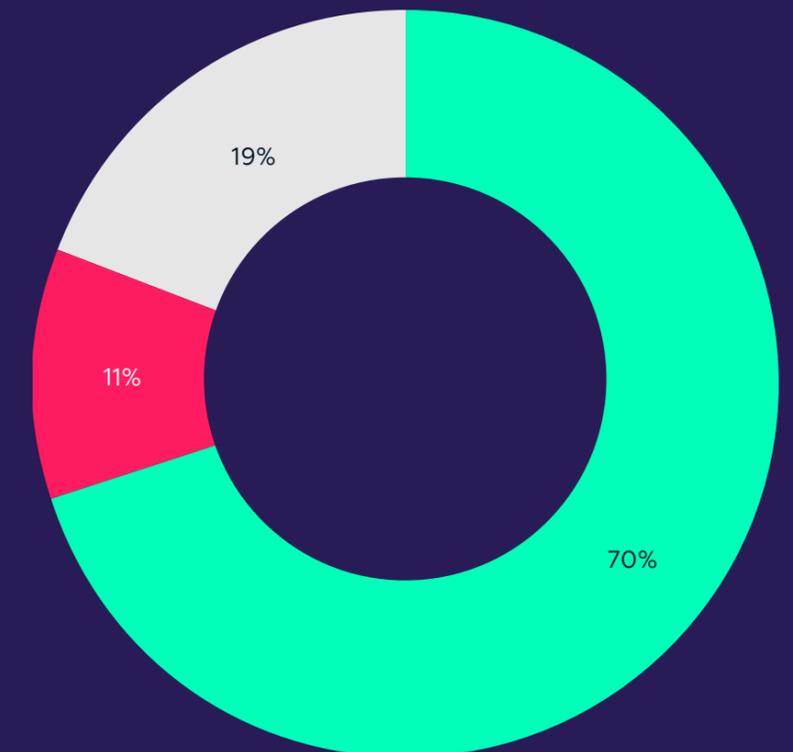
How are global developments (regulatory uncertainty, geopolitical conflicts etc.) affecting your ongoing and future sustainable procurement efforts?

- No impact – sustainable procurement continues to be a strategic priority
- We are accelerating investments in sustainable procurement
- We are delaying our plans
- No impact – sustainable procurement is currently not relevant
- We are scaling back or canceling our plans



Do you believe that not investing in sustainable procurement carries significant risks for your organization?

- Yes
- No
- Not sure



10 Conclusion and Outlook

The survey shows that sustainable procurement has become a strategic lever for many organizations. What was once a back-office cost center now drives risk-adjusted performance, resilience, and stakeholder trust – especially as regulatory pressure raises the bar on compliance.

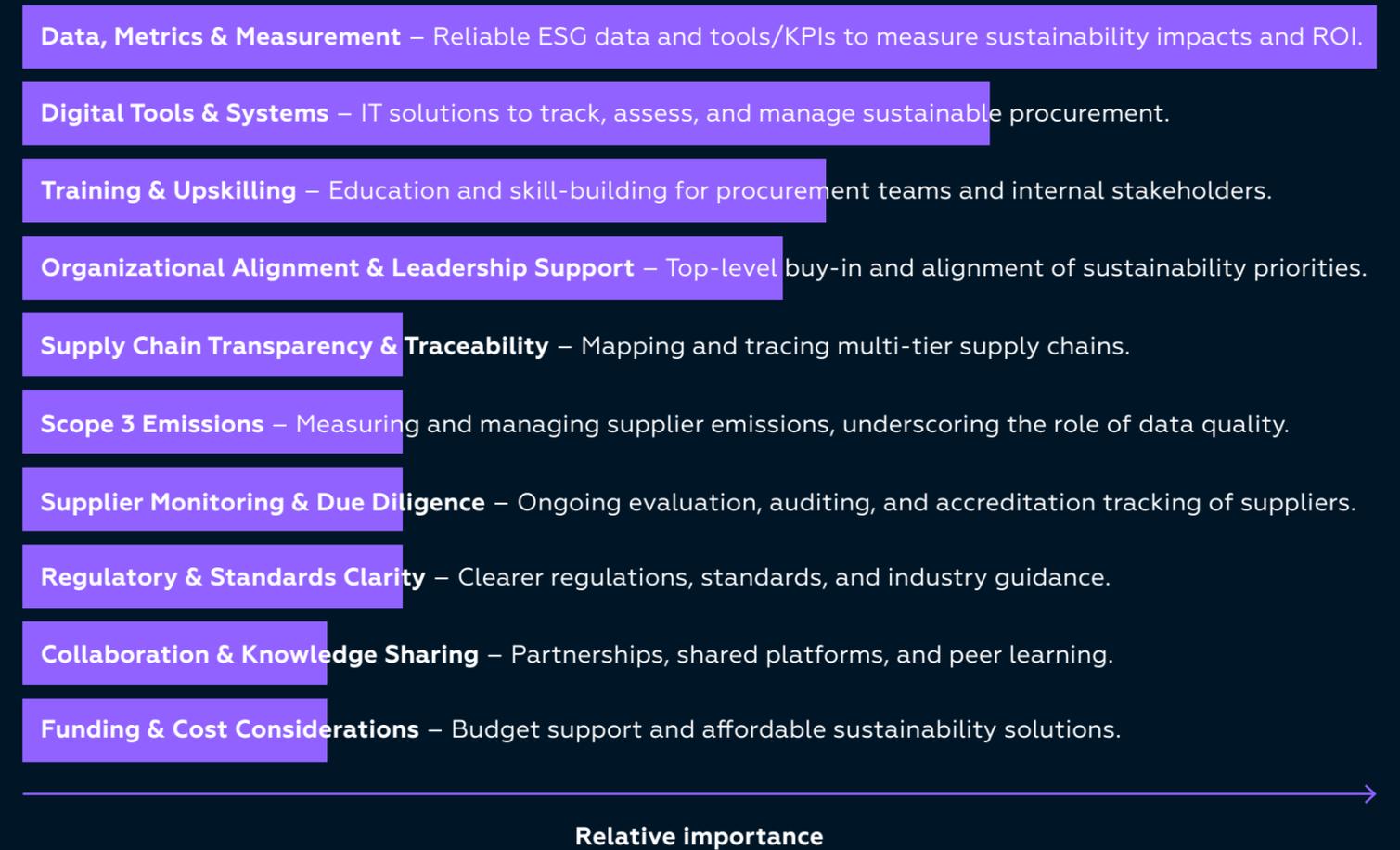
Companies are already reaping the rewards of their efforts in the form of fewer supply chain disruptions and ESG incidents, improved transparency, stronger supplier relationships, operational efficiencies, and brand credibility.

Organizations are investing in ESG data systems, traceability and monitoring tools, staff training, and supplier engagement. **Overall, 86% acknowledge the risks of inaction on sustainable procurement.** Still, much ROI remains latent until teams embed ESG across the entire procurement lifecycle – especially throughout contracting, performance management, risk monitoring and strategic collaboration – and properly measure critical outcomes such as avoided costs, efficiency gains, or improved supplier performance.

In an open-ended question, respondents were asked which support or solutions would be most helpful for advancing their supply chain sustainability efforts. Several clear themes emerged – essentially mirroring the challenges and investment areas already discussed, but from the practitioners’ personal “wish lists” perspective (see graph).

They are asking for a holistic support system that includes more reliable ESG data, robust impact measurement tools, digital solutions that streamline supplier sustainability assessments and monitoring, internal capacity building, aligned governance processes, and leadership buy-in.

What type of support or solutions would be most helpful to you in advancing supply chain sustainability?



The path forward is clear: To unlock ROI and sustained benefits from sustainable procurement, companies must invest not only in initiatives but also in the enablers – data systems, digital tools, skills and expertise, and organizational alignment. As due diligence laws continue to gain traction, these are fundamental prerequisites for staying ahead of regulatory pressures, safeguarding supply chains, and transforming sustainability from a compliance requirement into a lasting competitive advantage.

Ready to take your sustainable procurement efforts to the next level?



The **IntegrityNext platform** streamlines supply chain due diligence, sustainable procurement, supply chain decarbonization, reporting, and multi-tier transparency:

- ✓ **Assess and embed sustainability performance** throughout the supplier lifecycle.
- ✓ **Leverage our ESG database of more than 2 million suppliers** and get a head start with pre-existing supplier sustainability data.
- ✓ **Ensure compliance with due diligence laws and regulatory requirements**, incl. the CSDDD, EUDR, CBAM, UK Modern Slavery Act, UFLPA, and the EU Forced Labor Regulation.
- ✓ **Map your upstream supply chains and gain visibility across all tiers** – from raw materials to finished products.
- ✓ **Strengthen supplier engagement and collaboration** at scale with built-in platform tools.
- ✓ **Drive operational efficiency** with highly automated processes and intuitive, user-friendly workflows.
- ✓ **Seamlessly integrate ESG and risk data** into all major ERP, SRM, and procurement systems to embed sustainability in your operations.
- ✓ **Benefit from expert ESG support for your teams and suppliers**, incl. dedicated project managers, targeted enablement, tutorials, and a supplier helpdesk.



Drive Sustainable Procurement with IntegrityNext.

Schedule a demo with one of our experts today and turn supply chain sustainability into tangible business value.

[Schedule demo](#)

Integrity Next GmbH
Schillerstr. 23A
80336 Munich

Integrity Next Inc.
12 E 49th Street
New York, NY 10017

integritynext.com