treasury spring

Sustainability impact report 2025

Perspective shapes progress

Survey conducted by: ACT, London Stock Exchange (An LSEG Business), treasury spring

Contents

Executive summary

Sustainability remains widely discussed in public debate, shaped by political change, economic pressures, and evolving regulation. At the same time, many sustainability-related decisions are increasingly being addressed through operational and financial processes within organisations. Within treasury functions, this includes considerations in areas such as cash investment, liquidity management, and risk management.

Three findings stand out.
First, sustainable finance activity is becoming more selective, with strong engagement among a committed cohort, but limited participation elsewhere. Second, capability, rather than product availability, is now the primary constraint. Third, activity is shifting away from labelled instruments towards more integrated, risk-based decision-making.

Now in its fourth year, our annual Sustainability Impact Survey captures a precise moment in time. Rather than engaging with narratives or labels, it focuses on how organisations are translating uncertainty into practical treasury decisions, within clearly defined mandates and constraints. This year's findings bring together perspectives from a range of treasury and adjacent financial roles within corporations across industries and organisational sizes, collectively representing an estimated £15-20bn in cash balances (see Appendix 5 for respondent breakdown).

In the wider market, discussion has increasingly centred on infrastructure, supply chains, and the resilience of critical systems – themes that featured in last year's findings and continue to gain prominence across both public and private markets. Against this backdrop, the survey asks what these developments mean for treasurers in practice: whether sustainability is now being expressed less through ambition or signalling, and more through commercially grounded decisions around counterparties, instruments, and the short-term deployment of cash.

We would like to offer our sincere thanks to all participants who contributed their time and insights. Together, their responses provide a grounded view of how sustainability is being addressed within treasury functions – often through incremental adjustments to policy and liquidity strategy, rather than wholesale change.

We are delighted to collaborate with the Association of Corporate Treasurers and the London Stock Exchange on this initiative, and are proud to continue our contributions to the LSEG Foundation – making a £20 donation for every submission received. The Foundation empowers individuals globally through education, employment, and enterprise initiatives.

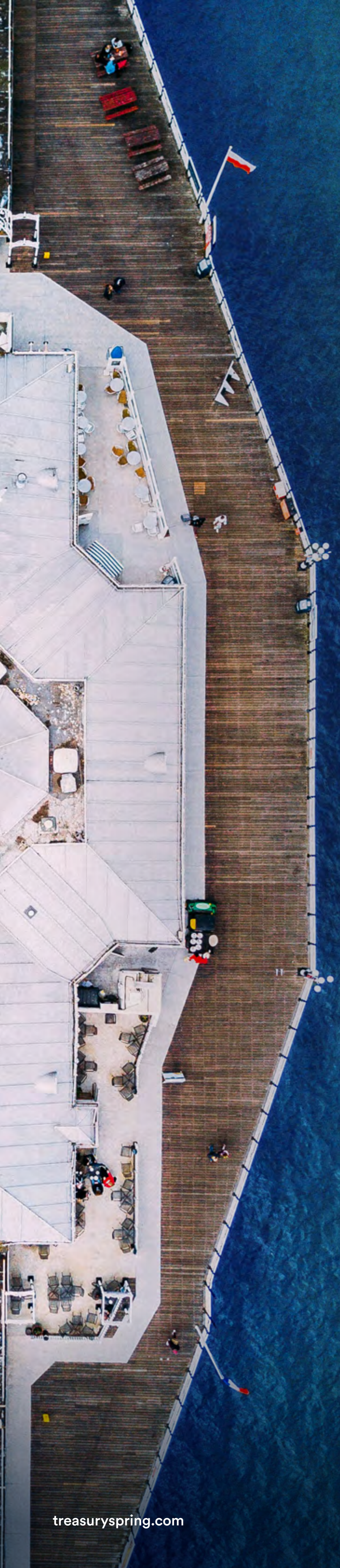
In a complex and fast-moving landscape, progress is rarely loud or linear. More often, it takes shape through a series of considered treasury decisions – measured, resilient, informed, and quietly responsive to change. We hope our research will inform and support the decisions that, collectively, are shaping the future of sustainable finance.

Survey conducted by

treasury spring

ACT

LONDON STOCK EXCHANGE
An LSEG Business



A word from TreasurySpring

Sometimes familiarity and regularity breed complacency. However, while I'm sure everyone reading this is now familiar with sustainability as part of our everyday lives, not just work, we at TreasurySpring continue to execute this survey with great anticipation and find the results in this report genuinely insightful.

It is intriguing to both read the comparisons with the answers we received last year and to think back over the four years we have been compiling this report. This allows us to really consider the outside influences that have come, in some cases gone, and in many cases been adapted, and then seeing how companies, and in particular treasury teams, have evolved with them. Take a moment to think about that aspect of your job, which probably didn't exist when many of you started your roles, and I think many of you will be pleased with the outcomes you are hopefully starting to see.

However, there is always more that can be done. But, as the report shows, sustainability cannot always be top of the to-do pile. Reality has to play its part, no matter how hard we strive to achieve our ideologies. Often it has been economic reality and cold, hard basis points that have had priority. Could that be the next theme we see developing though?

Kirsty Wilman, Chief Operating Officer at Rebalance Earth and Royston Da Costa, an Independent Treasury Advisor have provided valuable insights from their own angles, offering insights I personally found fascinating. I hope you will too.

As ever, we are grateful to all our contributors to the report. Your participation, whether continued or for the first time, is key if the report is to have value, so thank you once again. We hope you find it as insightful as we do and we look forward to using the findings in our quest to provide you with an efficient, safe, sustainable, and rewarding way to manage your cash.

Nigel Owen, Head of Corporate Origination

TreasurySpring

Setting the scene

The macroeconomic and political backdrop in 2025 continued to reshape sustainable finance globally. A year marked by policy recalibration, geopolitical tension, and tighter fiscal conditions has shifted how sustainability priorities are framed – with greater emphasis on security, competitiveness, and economic resilience.

Geopolitical and macroeconomic developments in 2025

Sanctions on oil from major producing countries like Russia, Iran, and Venezuela have at times pushed the oil price higher before falling back again if and when the threats or the sanctions are removed. The price volatility caused by this has given strength to political policies to pursue locally-sourced renewable energy, adding to the push for energy security that has developed since the war in Ukraine started and pushed energy prices higher for many European countries.

AI's rapid expansion is increasing global energy demand. Data centres' electricity use is growing quickly, with AI workloads contributing a disproportionate share of this rise, driving significant increases in energy consumption and related emissions in some major tech companies. This is likely to put pressure on grids and sustainability targets.

AI is also reshaping social dimensions by influencing how companies manage human capital, transparency, and equity, though these gains depend on governance and policy frameworks to ensure responsible deployment. Responsible AI adoption is increasingly part of corporate social policies, as firms recognise the need to mitigate algorithmic bias and ensure equitable access to AI-driven services.

There is a growing divergence between the European and US approaches to reporting. Emerging frameworks in Europe require firms to assess and disclose the energy and environmental impacts of all areas of their business, forcing more disciplined governance around sustainability.

Setting the scene cont.

The global green bond market exceeded $3trillion for the first time in 2025

Shift to transition finance

After softer labelled bond issuance in 2025, 2026 may prove significant for transition finance as new market guidance brings greater structure and clarity. The publication of the International Capital Market Association's Climate Transition Bond Guidelines (ICMA) and the Transition Loan Principles (LSTA) by leading loan market associations formally establish "transition" as a distinct label, aimed at financing credible decarbonisation pathways, particularly in hard-to-abate sectors. These frameworks introduce clearer guardrails, including alignment with recognised taxonomies and sector pathways, safeguards against carbon lock-in, and an emphasis on entity-level transition plans.

Alongside transition finance, investor interest in adaptation-related financing may continue to develop as physical climate risks become more material to capital allocation decisions (OMFIF).

Sustainable bond issuance

By the end of Q3 2025, global green bond issuance had reached $46bn, broadly flat year-on-year and keeping the prior year's record of $572bn within reach (LSEG Insights). Green bonds also remained a meaningful share of overall debt markets, with their proportion of total global debt issuance only marginally lower at 4.3% versus 4.5% the year before (LSEG Insights).

As issuance continued, the global green bond market reached a new milestone, with outstanding volumes exceeding $3trn for the first time at the end of Q3 2025. This reflects rapid market expansion over recent years, supported by growing demand for climate-related financing across mitigation and resilience themes (LSEG Insights).

However, broader sustainable bond issuance softened in 2025: after reaching approximately $1.04trn in 2024, total issuance declined by around 19% to $866bn in 2025, with expectations for similar levels to persist into 2026 (S&P Global).

In perspective

Joanna Bonnett
Group Treasurer and
Non-Executive Director

Joanna Bonnett has spent her career at the intersection of treasury leadership and systemic change. As former President of the Association of Corporate Treasurers and now founder of the Strategic Treasury Alliance – a group of senior treasurers collectively representing around £600bn in market cap – she is in a unique position to see both what individual organisations are doing and what the profession as a whole needs to do next.

Something shifted in 2025 – but not in the way the headlines suggested. While the political noise around ESG grew louder, Joanna observed a quieter, more interesting development inside organisations: sustainability going underground. “Various organisations, while they’ve got really strong sustainability programmes in place, perhaps weren’t talking about it as much,” she says. “It became in-house. Let’s keep the good work. Let’s keep doing what we need to do.”

The risk in that retreat, she argues, is not ideological – it is practical. If organisations stop articulating their sustainability direction publicly, they risk losing the talent that cares about it, the bank relationships that increasingly depend on it, and the supplier and customer partnerships that need to understand it. “If conversations are internal, that’s great. But if you’re not having them with your wider stakeholders – your suppliers, your customers, your banks – how can they build into that partnership?

> Banks are already factoring CO_2 emissions into their credit risk assessment – and there have been instances of them walking away from deals. Corporate treasurers must know what their sustainability strategy is, and when they meet with banks, they need to bring in their Chief Sustainability Officer or Head of Sustainability to make sure that that narrative is clearly understood.

2030

The role of sustainable leadership has shifted. We're now much closer to 2030 than we are to 2020, and a lot of those shorter-term strategies are arriving. It's no longer about setting the strategy – it is absolutely about executing it.

Treasurers taking actions

The Strategic Treasury Alliance (STA) began as a conversation between a handful of treasurers asking a simple question: what can we actually do? Formed about a year ago, the group now numbers around 20 senior treasurers and is working on something practical and overdue: a framework for calculating treasury cash emissions.

"When I invest money in a bank – a money market deposit, a money market fund – what is that money doing?" she asks. "Treasurers have always understood yield and risk. But through an environmental lens, what does that mean?" The STA has already piloted its approach with three major banking providers and their money market fund arms, and is now preparing to take those questions to a much wider group of banks.

The reporting landscape has changed

One of the most significant – and underappreciated shifts of the last few years is the introduction of CSRD reporting across the EU, which has fundamentally changed what sustainability disclosure means in practice. "We now have auditors validating the claims, the aspirations, and the transition plans attached to sustainability reporting," she says. "This is a huge difference compared to where we were in 2020." Sustainability numbers are no longer self-certified – they sit alongside financial accounts, subject to the same rigour and independent scrutiny.

For treasurers engaged in green or sustainable financing, this matters directly: the credibility of labelled instruments will increasingly rest on whether the underlying claims can withstand that level of examination. "No one wants to be accused of greenwashing," she says. "And it's not just about environmental claims – it's also about impact on society. The local communities where you operate. That will become just as vital."

Where to start

For treasurers who feel behind, her advice is direct and practical. Start with education – the ACT runs a short course on sustainable finance, Sustainable Finance for Treasury, specifically designed to demystify the acronyms for practitioners who qualified years ago. Engage with peer groups like the STA.

And look at the decisions already within your remit: your cash investments, your banking counterparties, your pension strategy. "We aren't responsible for the sustainability strategy of the organisation. But within treasury we are responsible for capital allocation, investment emissions, insurance, and pensions. And does that reflect the will of your organisation?"

Full interview coming soon

4 Key takeaways

1 — A market dividing

2 — Ambition remains rooted in values

3 — Sustainable cash investing remains narrow

4 — Steadfast in a shifting landscape

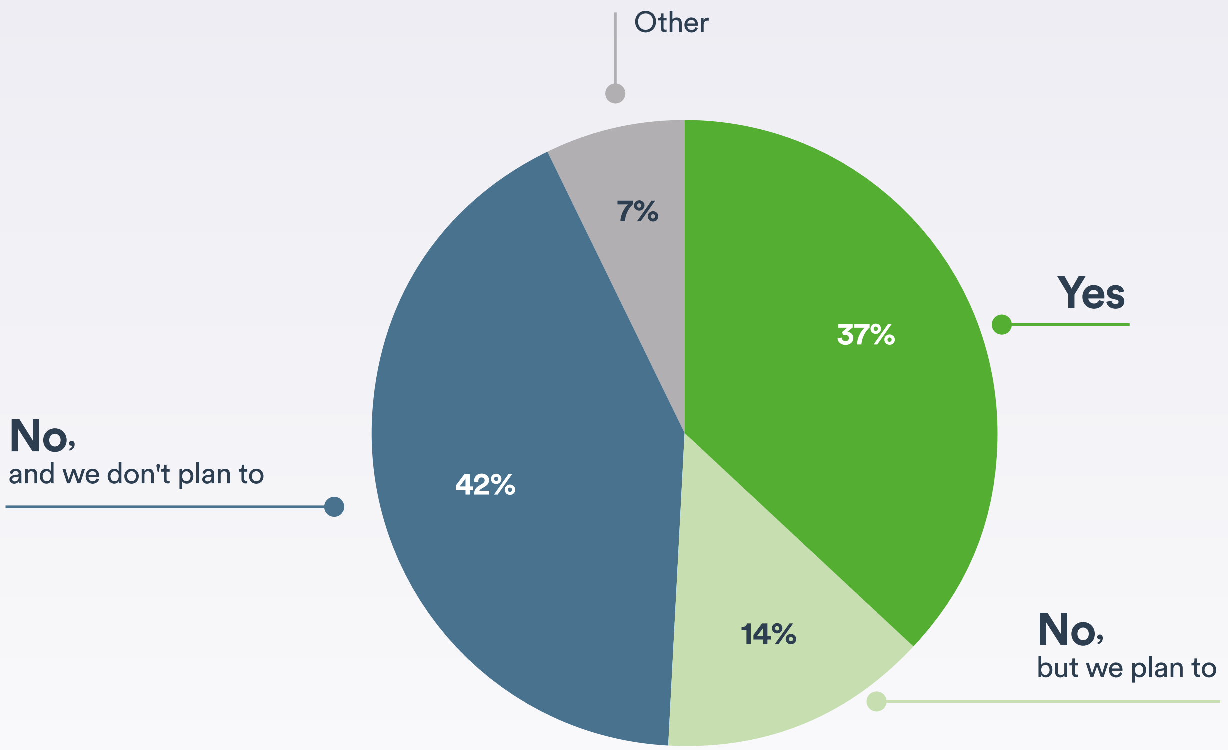
A market dividing

When asked whether they are currently invested in institutional sustainability-focused products, 42.1% of respondents said no – and have no plans to be. Though this may look like a market losing momentum, a story sits on the other side of that figure.

36.8% are already invested, and a further 14.5% plan to be. Together they represent 51.3%: a slim majority that has either committed or is clearly heading there. While this suggests a market dividing, it is important to note that respondents may be more engaged than the broader population of treasurers.

When asked what would most influence their organisation to invest in sustainability–focused products, the top two answers were transparent and consistent classifications for sustainable investments (mean 2.42) and greater availability of sustainable and responsible investment products (mean 2.54). Both are supply-side issues. For many organisations, the constraint is not scepticism, but the challenge of identifying clear, accessible, and comparable products. Greater consistency in product structures and labelling could help support broader participation.

Are you currently invested in institutional sustainability focused products?



2

Ambition remains rooted in values

In 2025, company purpose/values received the highest proportion of first-place rankings among sustainability drivers, outpacing regulatory pressure and customer acquisition.

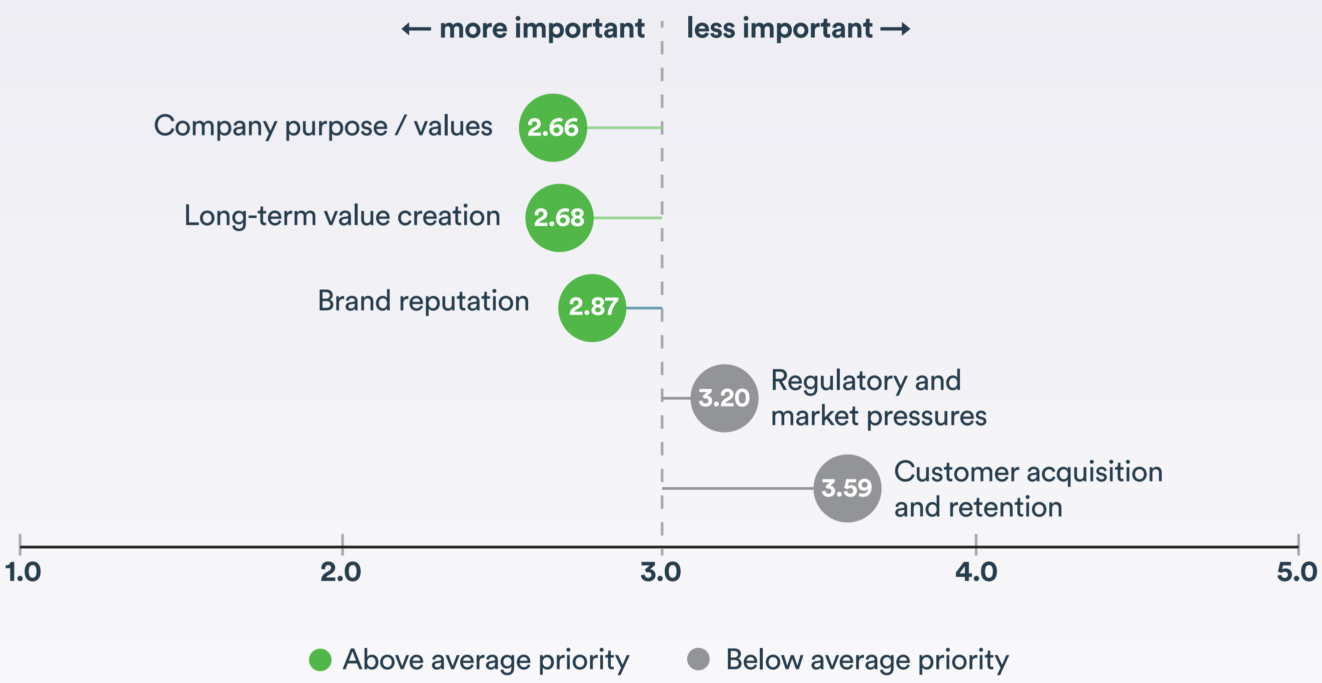
Even more telling, 39.5% ranked customer acquisition last, suggesting sustainability initiatives are rarely driven by short-term commercial goals. At the same time, long-term value creation ranked second, indicating that organisations still see sustainability as economically meaningful over time.

However, ambition now appears to be tempered by realism: 60.5% prioritise communicating progress over setting new targets. This suggests organisations are placing greater emphasis on demonstrating measurable outcomes rather than announcing additional commitments.

Adoption also appears uneven across sectors, with higher engagement where sustainability initiatives align closely with core business models – for example, in infrastructure, energy, and consumer-facing industries.

Please rank how important each of the following factors is as a driver for your company's sustainability initiatives.*

*Values represent the mean ranking assigned by respondents, where 1 = most influential and 5 = least influential / not applicable. The midpoint (3.0) indicates average priority.



Deviation from scale midpoint (3.0) · n = 76

3

Sustainable cash investing remains narrow

When examining participation at the product level, adoption is uneven across sustainable cash investment instruments. ESG money market funds (MMFs) are the most widely used product among respondents, with more than a quarter reporting allocations, though this should not be interpreted as a comparable share of total assets under management. This compares with lower participation in other instruments, including sustainable bonds (16.1%), green deposits (8.3%), green commercial paper (8.3%), and green ETFs (6.6%).

Looking ahead, green deposits (11.7%) and approved FTFs (13.3%) show the highest levels of potential future interest. However, overall engagement with sustainable cash instruments beyond ESG MMFs remains limited, with more than three-quarters of respondents reporting no current participation in these products.

Taken together, the results suggest that sustainable cash investing remains concentrated in a small number of widely accessible products, while adoption of newer or more specialised instruments is still developing.

Which of the following sustainability-focused cash investment products have you invested in, and/or do you plan to invest in?*

	Have invested in	Plan to invest in	NA / None
ESG MMFs	26.2%	11.5%	62.3%
Green deposits	8.3%	11.7%	80%
Green commercial paper	8.3%	8.3%	83.3%
Sustainable bonds	16.1%	8.1%	75.8%
Green ETFs	6.6%	11.5%	82%
Approved FTFs	8.3%	13.3%	78.3%
Other ESG product	12.9%	9.7%	77.4%

*This question was optional. Out of 76 respondents, 70 provided an answer.

4

Steadfast in a shifting landscape

65.8% report increased internal support or no pushback, despite external noise

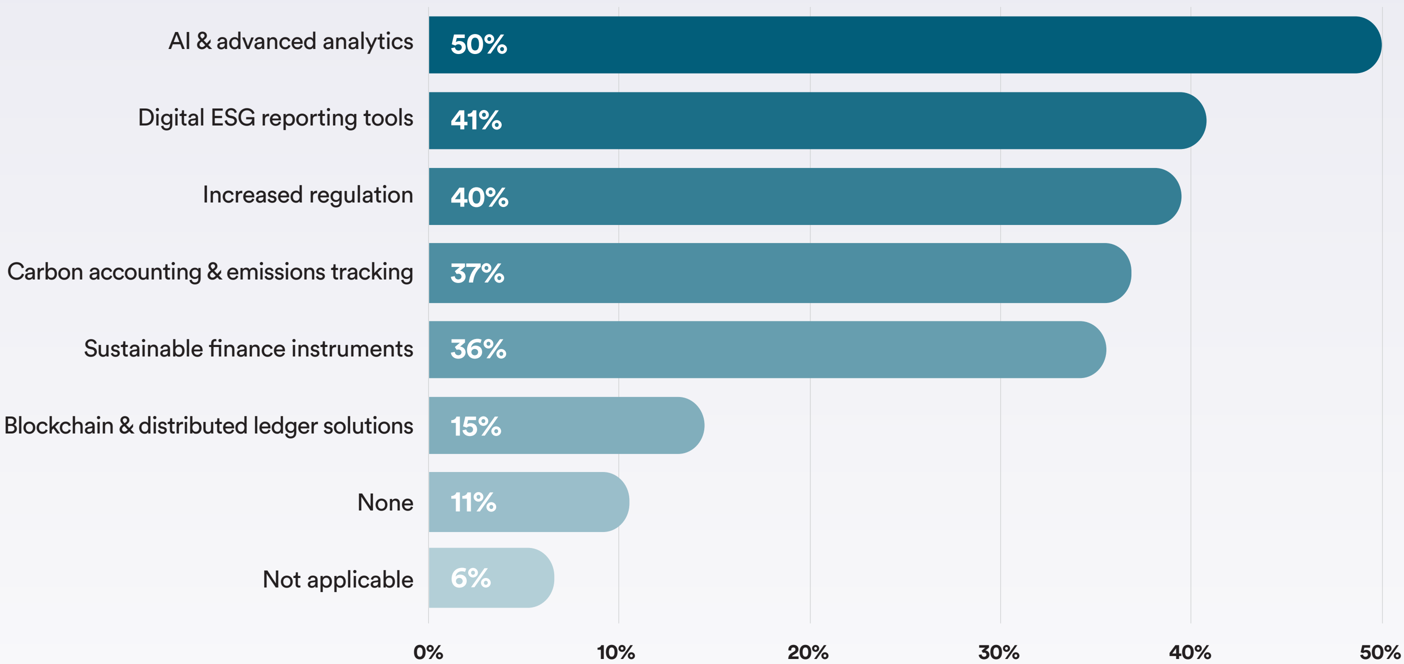
Despite political shifts and regulatory debate, more than one-third report no change in internal sustainability attitudes. A further 30.3% report increased support and adoption in their organisations. Only 18.4% cite increased pushback or uncertainty – a meaningful minority, but notably the smallest response category. Perspective matters: what appears turbulent from a distance looks stable from within.

50% expect AI and advanced analytics to have the biggest impact on sustainability strategy

While the internal conviction holds, the strongest forward signal is unmistakably technological. Half of respondents expect AI and advanced analytics to shape their sustainability strategies more than any other emerging factor – ahead of digital ESG reporting tools (40.8%), increased regulation (39.5%), and carbon accounting and emissions tracking (36.8%).

This is a profound shift. Sustainable finance is transitioning from narrative-driven momentum to data-driven infrastructure. Scoring models, risk assessment engines, and portfolio optimisation tools will define credibility and comparability. The organisations investing in these capabilities now, are building the structural advantages that will compound over time.

Which emerging trends do you expect will have the biggest impact on your sustainability strategy in the next three years?*



*Respondents were invited to select any and all options that apply to them.

In perspective

Royston Da Costa
Independent Treasury Advisor

From compliance to conviction: sustainability's moment of maturity

With more than 30 years in corporate treasury, Royston Da Costa has had a front-row seat to sustainability's evolution from peripheral concern to strategic imperative. Now an Independent Treasury Advisor and a member of the newly formed Strategic Treasurers Alliance (STA), he brings a practitioner's clarity to the questions treasurers are grappling with right now:

- How to embed sustainability into capital allocation
- How to build credibility rather than just compliance
- Why 2027 represents a genuine inflection point for the profession

He sat down with us to share what good looks like, and what still needs to change.

Ask treasury professionals what changed in 2025 and most will point to rate movements or liquidity pressures. Royston has a different answer. "Sustainability is now embedded," he says, with the kind of directness that comes from watching a slow-moving shift finally arrive. "Corporate treasurers have moved beyond compliance into strategic value creation – and the question is no longer if, it's how."

What's driving the acceleration? Three things, in his view:

1. Investor and lender expectations now demand credible, measurable outcomes
2. Improved data and AI-powered reporting tools are making it possible to monitor sustainability performance in real time
3. Regulation is arriving whether organisations are ready or not

> Capital is shifting – from green to transition finance. In the past, corporates faced a binary decision: green or not. Now you've got transition finance, which I think is a game changer for organisations that aren't in a position to make that switch overnight but are very keen to be part of that journey.

2027

The year treasury teams will feel the full impact of IFRS S1 & S2 climate disclosure standards – a date Royston describes as “not an option anymore”.

The 2027 inflection point

IFRS S1 & S2 – two accounting standards – will, Royston believes, land squarely on the treasurer’s desk. “The data requirements under those regulations involve climate risk and Scope 3 emissions. Scope 3 relates to third-party suppliers – and that means banks. This is going to have a huge impact for treasury.” For organisations still treating sustainability as a reporting overlay, 2027 is not a distant deadline. It is an imminent operational reality.

The next generation of treasury leaders, he believes, will accelerate all of this further – arriving with climate risk already built into scenario analysis and leveraging advanced analytics to inform liquidity, investment, and hedging decisions. Younger treasurers, he adds, are more comfortable now with innovative finance structures like sustainability-linked debt and transition finance, and that will help align sustainability goals with flexible funding strategies going forward.

Royston is equally clear on what credibility actually requires:

- Anchoring disclosures to recognised frameworks – is the starting point – but insufficient alone.
- “Prove the impact,” he says. “Link sustainable capital to specific, measurable outcomes. Not just eligible activities – outcomes.”
- Independent assurance, he adds, matters particularly for labelled instruments, where scrutiny on greenwashing is intensifying from both regulators and investors.

Balancing sustainability and short-term liquidity

One of the key challenges in sustainable finance is how its principles apply to many treasury functions primarily focused on short-term liquidity rather than long-dated green bonds. Royston’s answer is pragmatic, “Margin adjustments on sustainable-linked instruments are modest and designed to encourage performance – not create financial risk.” Meanwhile, ESG considerations are increasingly used as a secondary criterion when selecting banks and short-term counterparties of equivalent credit strength – a meaningful shift in how treasury teams think about counterparty relationships.

What good leadership looks like

Sustainable leadership, in Royston’s view, is about integration, credibility, and discipline – not a standalone initiative but a thread running through capital allocation, risk management, and financing strategy. He points to Schneider Electric – consistently ranked among the world’s most sustainable companies – for the way sustainability is embedded across operations and supply chain rather than siloed into a reporting team. He also cites linking executive remuneration to measurable outcomes: “When individuals are bonused on a metric, it suddenly sharpens the mind.” For treasurers who feel left behind, his advice is: strengthen governance now, build internal data capabilities, and do not wait for regulation to force the issue.

Full interview coming soon

Based on an in-person interview, January 2026. Views expressed are the speaker’s own.

4 Market trends

1 — A strategy gap emerges

2 — Cash investing rebounds

3 — Capability is still the ceiling

4 — Recalibration, not rejection

A strategy gap emerges

The responses reveal a clear contrast among organisations. More than half of respondents reported having "no sustainability strategy" in 2025, after it was introduced as a distinct response option. In 2024, 18.9% selected "N/A", a category that may have captured a mix of non–participation, irrelevance, or uncertainty. What the data now reveals is the true shape of the market – not a retreat, but a clarification.

On the other side of that divide, the picture is one of conviction. Of those with a strategy, 29% are increasing allocations and 17.1% are maintaining them. Only one respondent reported reducing. Overall, the committed cohort is not wavering – it is consolidating.

How do you expect to increase/decrease your allocation to sustainable cash investment strategies over the next 12 months?

1

A strategy gap emerges cont.

When asked about their sustainability teams, roughly 40% of respondents claimed to have a team of 1-3 members, an 11.5% increase from 2024, whilst teams of 4-6 members also grew – from 7% to 9.2%. Notably, however, large teams of 7+ members fell considerably, from 14% to just 4%. What makes this picture clearer is the direction of travel among those without a team. The proportion with no sustainability team at all edged down only marginally, from 41% to 39.5% – and those actively considering establishing one fell from 10% to 6.6%.

Sustainability capability is widening but thinning. More organisations have someone working on it; fewer have the depth to act on it meaningfully.

2

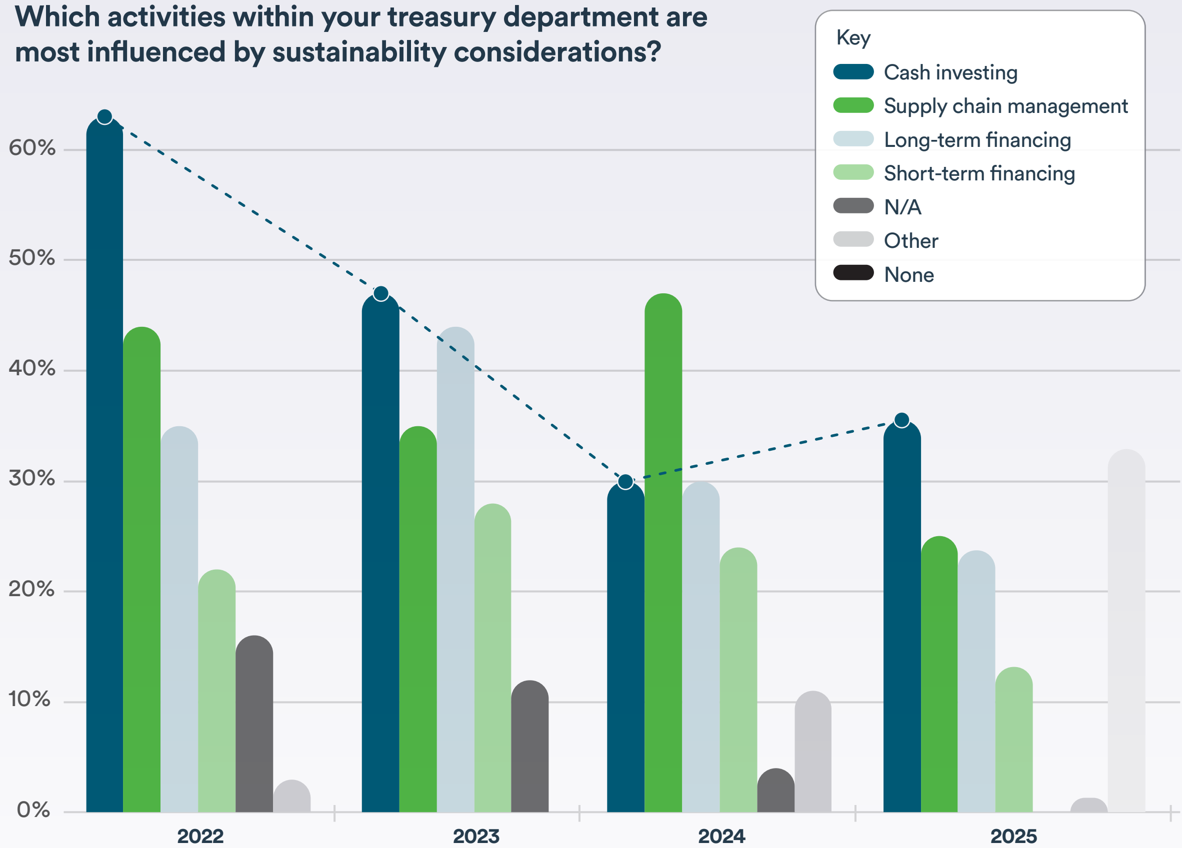
Cash investing rebounds

After three years of decline, cash investing reversed course in 2025 – rising from 30% in 2024 to 35.5%, and reclaiming its position as the treasury activity most influenced by sustainability considerations. However, the longer arc is harder to ignore: in 2022, 63% of treasury teams cited cash investing. That figure more than halved before this year's rebound. The question is whether 2025 marks a turning point, or a temporary pause in a longer decline.

Notably, cash investing also overtook supply chain management in 2025 – a position supply chain had held in 2024 at 47%. That figure collapsed to 25% in a single year, its steepest drop in the series. While this could be interpreted as a reduced emphasis on supply chain management within sustainability strategies, the shift likely also reflects changes in the survey sample, with a slightly smaller proportion of larger corporates participating compared with the previous year. Long-term financing fell to 23.7% and short-term financing to 13.2%. The pattern is consistent: every activity except cash investing moved in one direction. Moreover, the 32.9% who say sustainability influences no treasury activity, echoes the patterns reflected in the first trend: we are seeing a committed cohort acting with depth, and a larger group yet to begin.

This raises a broader question about how sustainability is developing within treasury functions: is it becoming concentrated in certain activities, or embedding more broadly across operations? The survey results suggest the former. Sustainability considerations appear most visible in cash investing, while engagement in areas such as supply chain management and financing remains comparatively limited.

Which activities within your treasury department are most influenced by sustainability considerations?



3

Capability is still the ceiling

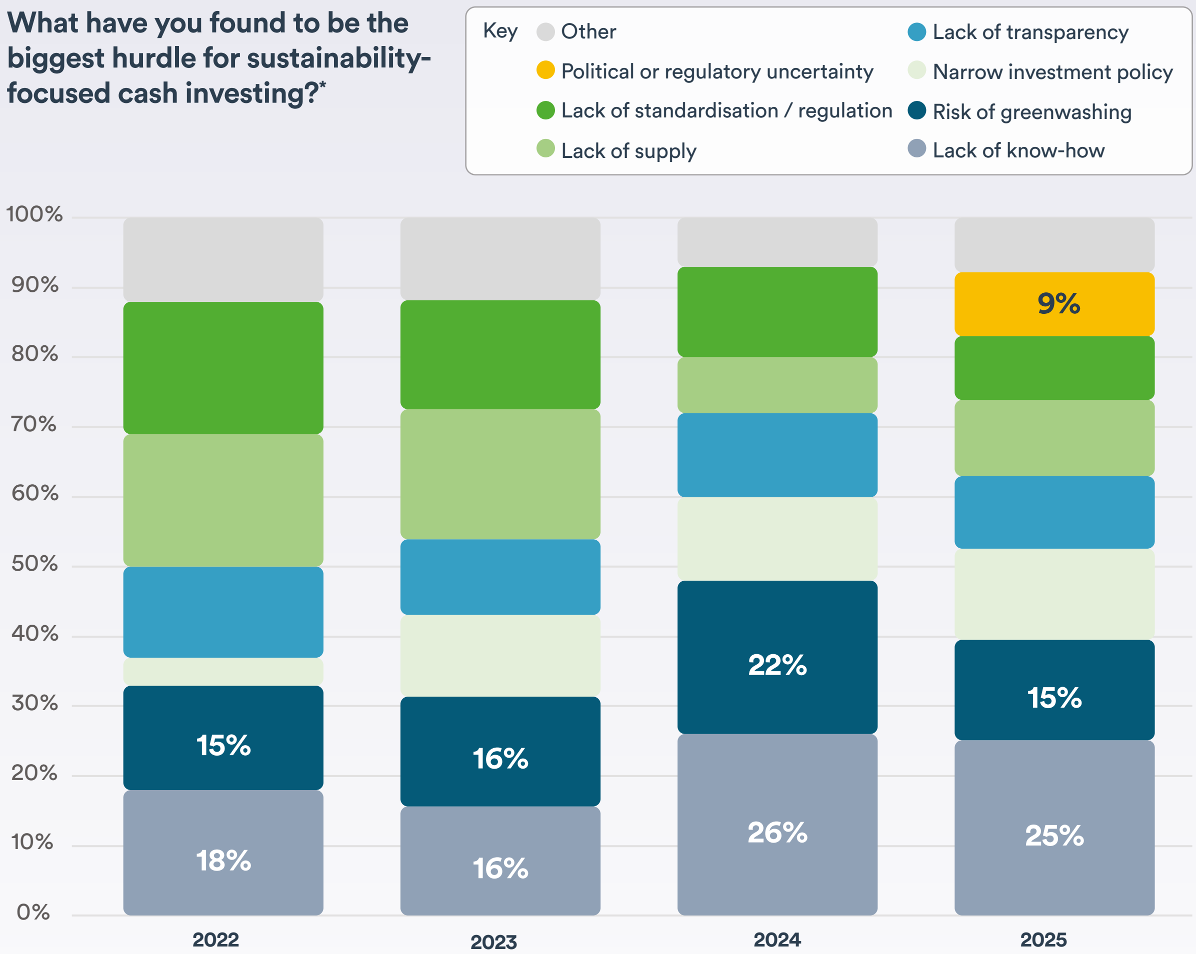
At a stage of ESG market development where products exist, frameworks are forming, and regulatory pressure is building, the primary barrier remains lack of know-how. At 25%, it is almost unchanged from 26% in 2024. The market is maturing, but further knowledge could broaden its use.

Equally telling is what has moved. Concerns about greenwashing dropped from 22% in 2024 to 14.5% in 2025, a 7.5% decline. This may not be complacency; rather a sign that market credibility is building. Are accusations of misleading now less of a worry for those organisations who take the time to engage with their investors? Or could this finding be linked to reduced use of instruments more exposed to greenwashing scrutiny?

A new entry in 2025 – political or regulatory uncertainty – appeared at 9.2%, reflecting the changed geopolitical environment. However, its low ranking may be the more telling finding. For all the political debate around sustainability, treasury professionals are not citing it as a primary obstacle. Internal capability, not external politics, remains the real ceiling.

Sustainable finance is increasingly shaped by understanding as much as by availability. The next phase of progress will not be driven by new instruments alone, but by education, integration, and confidence at treasury level.

What have you found to be the biggest hurdle for sustainability-focused cash investing?*



*The category "political or regulatory uncertainty" was newly introduced in the 2025 survey.

4

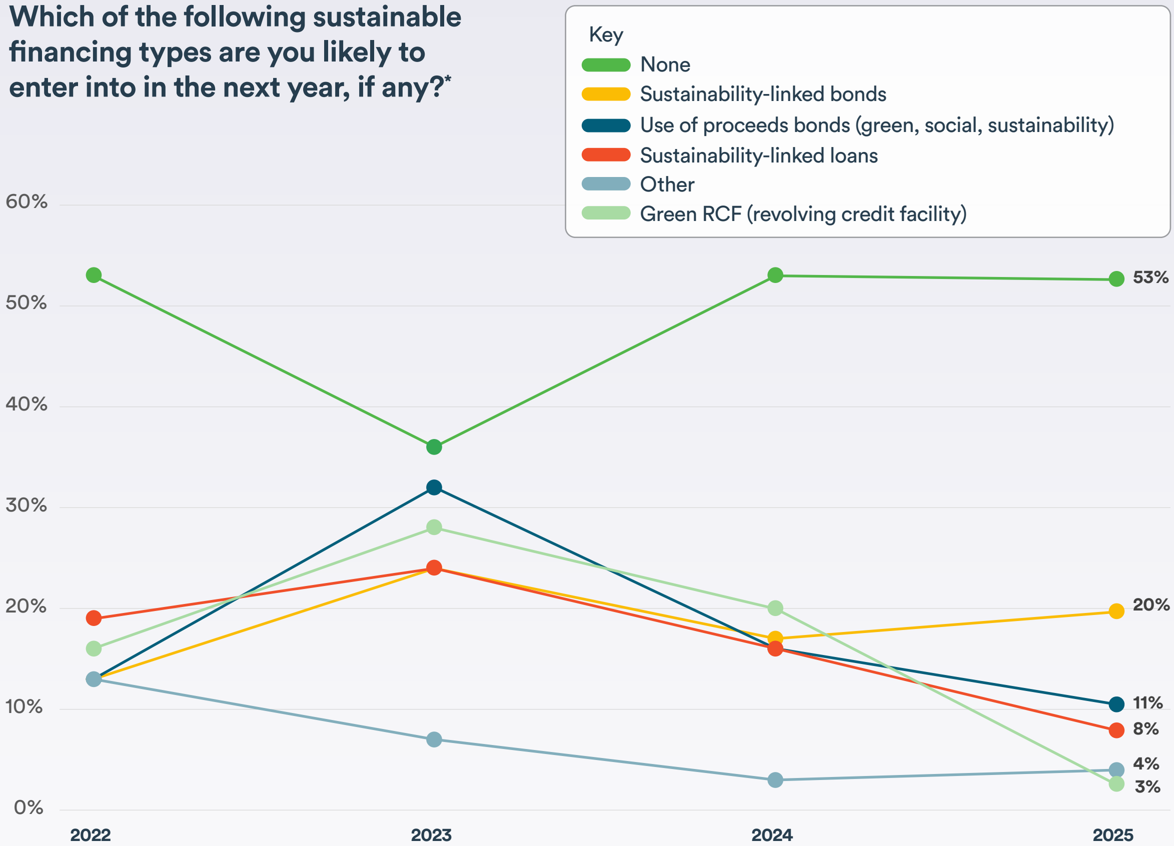
Recalibration, not rejection

Through a product-level lens, participation in sustainable financing remains limited. More than half of respondents report no plans to enter sustainable financing in the coming year. Among those who are active, sustainability-linked bonds are the most commonly used instrument (19.7%), although overall engagement across products is lower than in previous years.

The sharpest change appears in the use of green revolving credit facilities (RCFs). Participation declined from 28% in 2023 and 20% in 2024 to 2.6% in 2025. Use-of-proceeds bonds also fell, from 32% to 10.5% over the same period. Part of this shift may reflect changes in the survey sample, with a smaller proportion of larger organisations – which are typically more active in structured sustainable financing – participating this year.

Sustainability-linked bonds were the only product to record a modest increase, rising from 17% in 2024 to 19.7% in 2025. Their structure, which does not require ring-fencing proceeds to specific projects, may make them easier to incorporate into existing financing programmes. Overall, the results suggest a more selective approach to sustainable financing rather than a withdrawal from it.

Which of the following sustainable financing types are you likely to enter into in the next year, if any?*



*Respondents were invited to select any and all options that apply to them.

In perspective

Kirsty Wilman
Chief Operating Officer
Rebalance Earth

Rebalance Earth

Nature is not a nice-to-have. It is essential infrastructure.

Kirsty Wilman brings a perspective that is both commercially rigorous and genuinely urgent. As COO of Rebalance Earth – a fund investing in the restoration of nature as essential financial infrastructure – she has moved from a long career in real estate into one of the most compelling new frontiers in sustainable finance. Her argument is simple: nature degradation is a financial risk, and the companies that recognise that earliest will be best placed to survive. Kirsty joined us to talk about why we cannot let the perfect get in the way of the possible, and why the robust debate about sustainability may ultimately be a good thing, leading to deeper analysis, stronger conviction, and ultimately more credible outcomes.

There is a version of the ESG story that ends badly – drowned in acronyms, buried under compliance obligations, dismissed as ideology. Kirsty is not interested in that version. “I think the fact that sustainability is repositioning as more than just the right thing to do is probably positive in the long term,” she says. The debate, in her opinion, is clearing out the noise and leaving something more durable: a hard-nosed financial case.

At Rebalance Earth, that case is the entire premise. The fund invests in the restoration of nature – not for charitable reasons, but because nature degradation creates measurable financial risk. Companies pay for that restoration because it reduces their risk directly: securing supply chains, lowering flood exposure, ensuring access to clean water for manufacturing. “This isn’t philanthropic,” she emphasises. “This is essential infrastructure for the UK.” The businesses Rebalance Earth works with are not driven by altruism. They are driven by a clear-eyed recognition that the natural systems underpinning their operations have a financial value that has never properly appeared on a balance sheet. Until now.

> I always equate it to cyber risk – we don’t sit here and go, there’s a cyber risk, but it’s okay because I’ve got insurance. We do everything we can to reduce that risk, and we still have insurance. I think of sustainability risks in exactly the same way.

The problem with reporting

There is no shortage of sustainability data – the problem is quality, consistency, and narrative. Some companies fulfil regulatory requirements and put a clear narrative alongside to explain what the numbers mean.

Others do the reporting, and when you ask "so what?", it is very hard to interpret. The companies that stand out are those that name their risks openly, explain what they are doing about them, and connect the dots for the reader. Her sharpest point is about how companies frame sustainability risk itself, and she draws a comparison that every treasurer will immediately understand: the parallel with cyber. Insurance covers the cost. It does not cover the disruption.

> #1 The UK has the worst nature degradation of any G8 country – a sobering baseline, but one she sees as an opportunity: "**The only way is up**."

On credibility, she is direct: sustainability strategy must connect to what the company actually does. "The days of being able to say, 'it's okay, we bought some carbon credits', are long gone. And as they should be." When you link initiatives back to the specific risks your business faces, and explain openly why you're doing what you're doing, the result is a much more credible approach.

Where to start

For those who feel overwhelmed, her advice is to resist paralysis and start with decisions already being made every day: which funds hold your cash, which suppliers you use, and whether policies are actually reflected in procedures. "There's no good having a sustainability policy that says one thing, and then every time someone travels they hire a private jet." Small decisions, made consistently, create a meaningful shift when aggregated across an organisation.

The same logic scales to the individual. Pensions are a largely untapped lever – if everyone directed even a portion of their retirement savings toward sustainable initiatives, the collective effect would be enormous. "Individually, my pension won't make a difference. But if everyone moved some of their pension money into a sustainable initiative, that would make a massive difference."

True sustainability leadership, in her view, is not about standing apart. It is about bringing others along. No single company can shift an ecosystem on its own; the impact only compounds when peers move together. "I don't think this is an area where we should be competing," she says. "The reality is no one can make a difference alone. So sharing what you're doing, bringing your peers with you – that's what true sustainability leadership looks like."

Full interview coming soon

Based on an in-person interview, January 2026. Views expressed are the speaker's own.

Conclusion

Looking across this year's findings, one theme stands out: sustainability in treasury seems to be maturing. In a year shaped by geopolitical tensions, policy recalibration, and cost discipline, the responses to our survey come across with a healthy dose of pragmatism. The data shows a market dividing not along ideological lines, but along structural readiness. While many respondents don't yet include sustainability in their cash strategy, those that have embedded sustainability into policy are maintaining or increasing allocations. Notably, none are stepping back.

The key development is that the primary barrier is no longer product availability or regulatory uncertainty. It is knowledge and capability. With 25% citing lack of know-how as the biggest hurdle, while we are seeing maturity, there is still room for significant growth. Based on the data from our report, that growth will be defined by education, internal confidence, and governance integration.

For treasurers globally, sustainability is becoming less about signalling and more about disciplined decision-making, increasingly reflected in counterparty selection, liquidity strategy, and risk management frameworks. Treasurers may soon need to assess the sustainability of their financial suppliers as their businesses do other suppliers. AI will undoubtedly play its part in that.

While financial benefits remain difficult to quantify consistently, treasurers increasingly view sustainability through a risk-adjusted return lens – incorporating factors such as counterparty resilience, funding access, and long-term cost of capital.

Progress may be quieter than headlines suggest, but it is measurable, deliberate, and becoming a core treasury capability – embedded within business-as-usual decision-making rather than treated as a standalone initiative.

Outlook

Looking ahead, the resilience shown by our respondents points towards a trajectory no longer shaped by and subject to political rhetoric, but more by structural capability and strategy. As transition finance frameworks gain clarity and data quality improves, sustainable instruments may become easier to evaluate within traditional risk-return parameters. The opportunity for treasurers lies in integrating sustainability into existing liquidity and risk processes, rather than treating it as a parallel initiative.

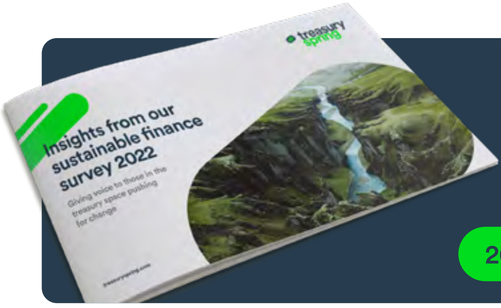
Education will be pivotal. Closing knowledge gaps will allow treasurers to build internal confidence at committee and board levels. Bodies like the Strategic Treasurers Alliance will support that.

We expect continued sensibility: fewer symbolic commitments, more commercially grounded execution. Technology-enabled reporting and enhanced risk analytics will increasingly inform allocation decisions.
In this environment, sustainable treasury will not be defined by volume alone, but by credibility, transparency, and alignment with organisational purpose.

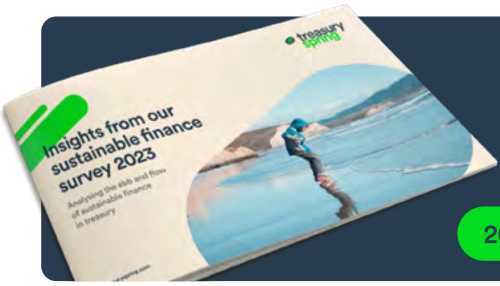
More to explore

Previous reports and resources

Reports



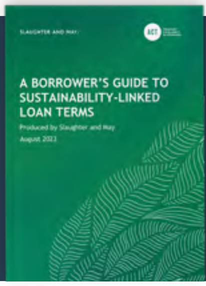
2022



2023

2024

Resources



ACT Borrower's Guide to Sustainability-Linked Loan Terms

View PDF

Our ESG values

FMSB's 2025 Statement of Good Practice on the Governance of Sustainability-Linked Products

View PDF

Certifications / Education

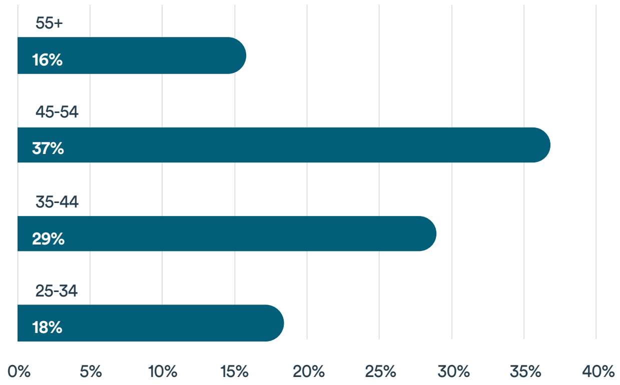
Recommended by Royston Da Costa, the Certificate in Sustainable Finance for Treasury, run by the Association of Corporate Treasurers, offers treasury professionals a practical, bite-sized introduction to sustainable finance.

ACT EDUCATION

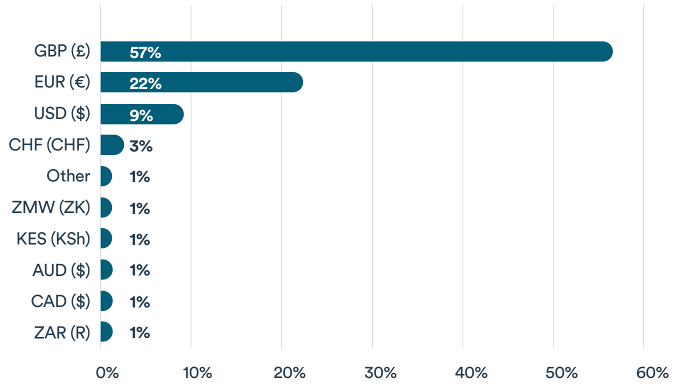
Explore

Appendix – full survey results

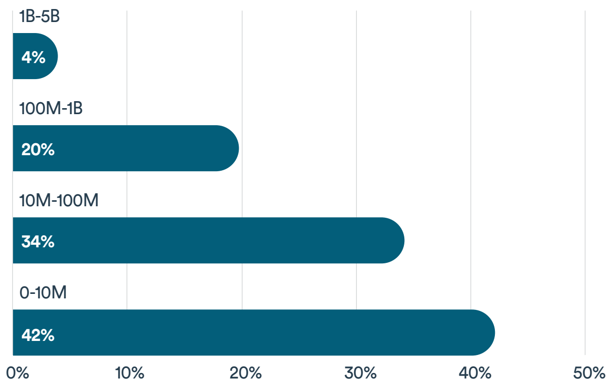
Q3. Which age range do you fall into?



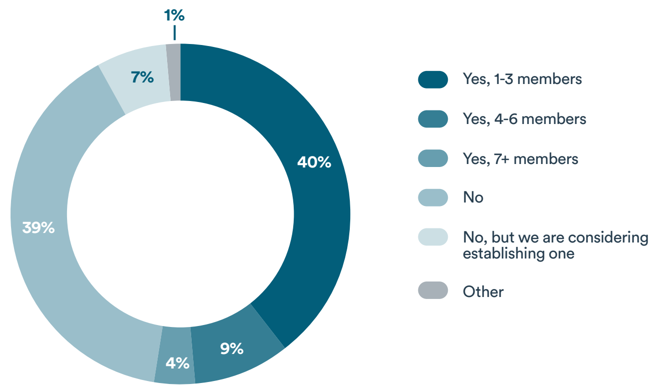
Q4. What is your home currency?



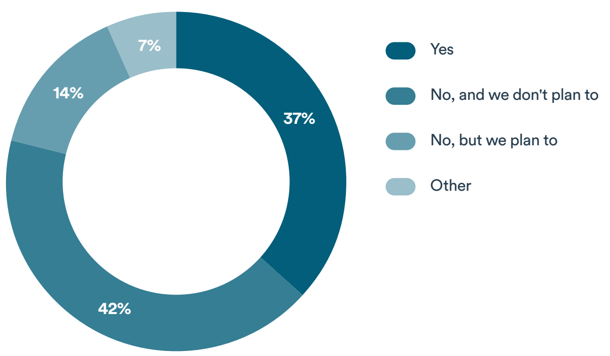
Q5. How large are your cash balances (in GBP equivalent)?



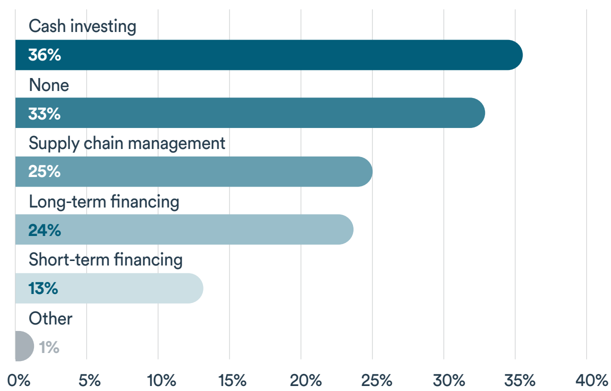
Q6. Do you have a dedicated sustainability team within your organisation?



Q7. Are you currently invested in institutional sustainability focused products?



Q8. Which activities within your treasury department are most influenced by sustainability considerations?*



*Respondents were invited to select any and all options that apply to them.

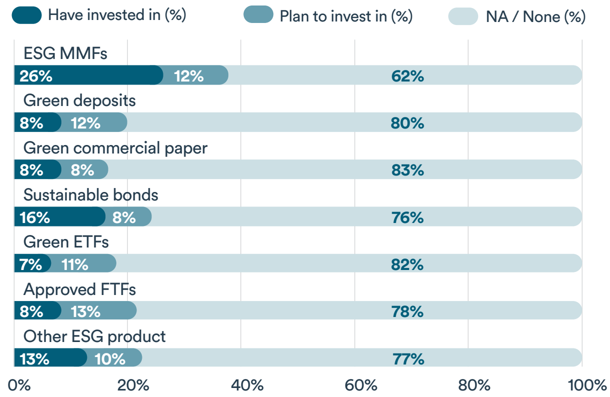
Appendix – full survey results

Q9. Please rank how important each of the following factors is as a driver for your company's sustainability initiatives.*

	Choices	Mean
1	Company purpose / values	2.66
2	Long-term value creation	2.68
3	Brand reputation	2.87
4	Regulatory and market pressures	3.2
5	Customer acquisition and retention	3.59

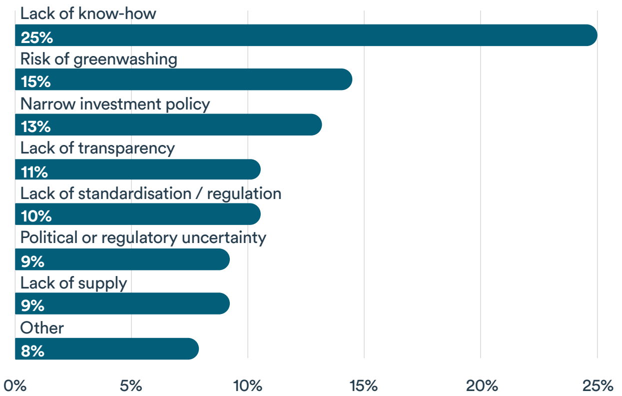
*This question was optional. All 76 respondents provided an answer. Values represent the mean ranking assigned by respondents, where 1 = most influential and 5 = least influential / not applicable.

Q10. Which of the following sustainability focused cash investment products have you invested in, and/or do you plan to invest in?*



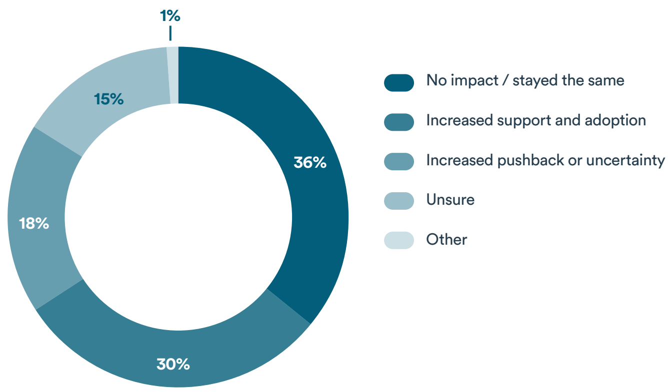
*This question was optional. Out of 76 respondents, 70 provided an answer.

Q11. What have you found to be the biggest hurdle for sustainability-focused cash investing?*



*The category "political or regulatory uncertainty" was newly introduced in the 2025 survey.

Q12. How have global developments shaped internal attitudes toward sustainability within your organisation?

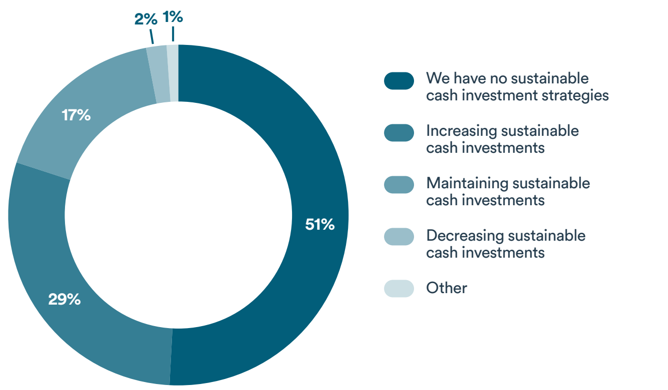


Q13. Please rank the following factors in order of how much they would influence your organisation to invest in sustainability-focused products.*

	Choices	Mean
1	Transparent and consistent classifications for sustainable investments	2.42
2	Greater availability of sustainable and responsible investment products	2.54
3	Standardised and comparable sustainability ratings for companies	3.11
4	Easy-to-understand guides and resources on sustainable investing	3.21
5	Clear reporting and tools to track the real-world impact of sustainable investments	3.72

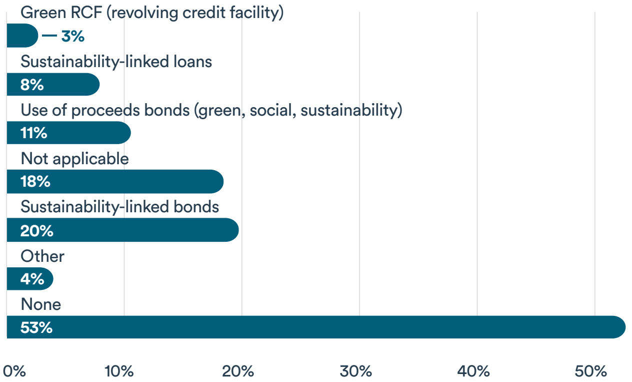
*This question was optional. Out of 76 respondents, 71 provided an answer. Values represent the mean ranking assigned by respondents, where 1 = most influential and 5 = least influential / not applicable.

Q14. How do you expect to increase/decrease your allocation to sustainable cash investment strategies over the next 12 months?



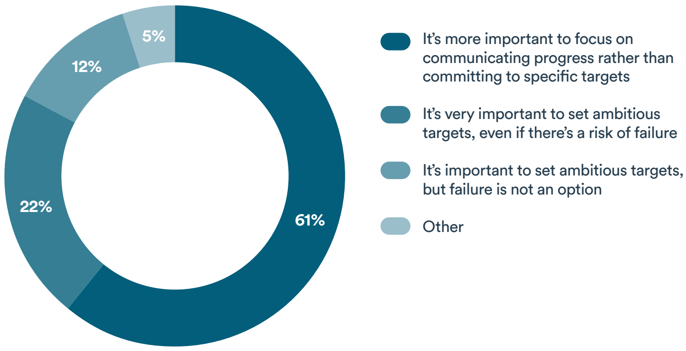
Appendix – full survey results

Q15. Which of the following sustainable financing types are you likely to enter into in the next year, if any?*

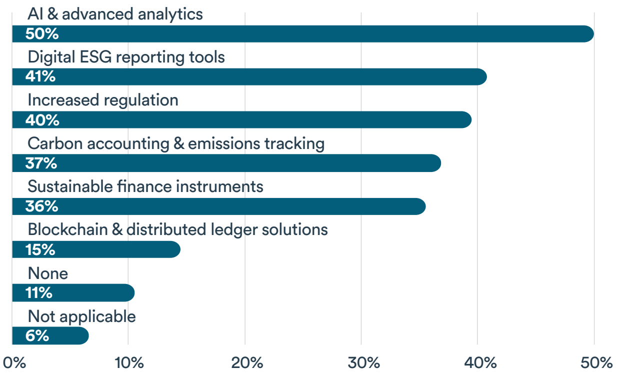


*Respondents were invited to select any and all options that apply to them.

Q16. In relation to stretching your sustainability KPIs, which of the following applies?



Q17. Which emerging trends do you expect will have the biggest impact on your sustainability strategy in the next three years?*



*Respondents were invited to select any and all options that apply to them.

Authors and contributors

Nigel Owen
Head of Corporate Origination
E: nowen@treasuryspring.com
Linkedin

Csongor Mathe
Product and ESG Lead
E: cmathe@treasuryspring.com
Linkedin

Katie Stanton
Marketing Lead
E: kstanton@treasuryspring.com
Linkedin

Erika Da Costa
Marketing Associate
E: edacosta@treasuryspring.com
Linkedin

Anna Tsaligopoulou
Campaign Manager
E: atsaligopoulou@treasuryspring.com
Linkedin

Stewart Luetchford
Senior Graphic Designer
E: sluetchford@treasuryspring.com
Linkedin

Contact us

John Bentley
Head of Sales
E: jbentley@treasuryspring.com
Linkedin

Lina Karim
Senior Relationship Manager
E: lkarim@treasuryspring.com
Linkedin

Sue Hewstone
Senior Relationship Manager
E: shewstone@treasuryspring.com
Linkedin

25 Market Mews
London, W1J 7BZ
T: +44 203 535 8995

Ordnance House
31 Pier Road, St Helier,
Jersey JE4 8PW
T: +44 1534 825259

1230 Avenue of the Americas
16th Floor
New York, NY 10020
T: +1 (646) 838-0074

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