Briefing for CEOs

Business Breakthrough *Barometer 2025*

About the Barometer

The **Business Breakthrough Barometer 2025** provides a global snapshot of how leading businesses are navigating the net-zero transition. In 2025, it explores the impact of **geopolitics, investment trends** and **climate change impacts.** The Barometer also deep dives on seven sectors critical to energy and industrial transitions—**power, road transport, steel, cement, buildings, hydrogen, and fertilizers**—exploring where progress is accelerating and the barriers to investment.

Key insights

Businesses remain committed to the net-zero transition—because it's no longer just about sustainability, it's about staying competitive. To unlock full value, CEOs need to align strategy with transition *bright spots* and advocate for stable policies that turn ambition into investable opportunity.

Transition investment is about business competitiveness, not just a sustainability play

Despite political volatility, **91%** of leaders say their businesses have maintained or increased net-zero investments over the past year. Over half (**56%**) say that long-term industrial competitiveness—not compliance—is the primary reason investing in the transition, in order to access growth markets, cost savings, and future-proof operations.

→ **Treat transition investments as core to competitiveness, not a compliance cost.**

Capital is flowing to 'bright spot' markets

Countries offering clean energy access, stable regulation, and demand creation are emerging as transition investment bright spots. **94%** of surveyed leaders say supportive transition policies are critical factors when making investment decisions, with countries in Asia and Europe cited by **74%** as increasingly attractive, while **half** view the U.S. as less attractive than a year ago.

→ **Assess energy economics and direct transition capital toward regions with aligned industrial and climate policy.**

"The Barometer is an invaluable tool for companies navigating complex transition pathways... By highlighting key trends, barriers, and policy drivers, it empowers industry leaders to focus investments where they matter most."

– Business Interviewee

Climate risk is a growing operational cost driver

61% of business leaders expect rising climate-related disruptions will create costs to their business this year, with over **half** building adaptation and resilience into business strategies, and **92%** predicting the cost of inaction will be higher than the cost of transition to their organizations.

→ **Climate costs are no longer future risks, but current liabilities. Inaction will compound systemic risk and hinder growth.**

Business is acting—but needs policy to unlock scale

Almost all (**96%**) business leaders urge governments to hold the line on net-zero commitments. Policy gaps are holding back investment at scale—especially around infrastructure and standards for more mature technologies (renewables, electric vehicles) and finance, demand creation, and standards for nascent technologies (clean steel, cement, hydrogen).

→ **Advocate for long-term policy clarity that turns ambition into investable markets, to protect investment horizons.**

Key statistics

91% of leaders say their businesses have maintained or increased investments in the net-zero transition vs 12 months ago

56% of business leaders cite industrial competitiveness as the primary reason for investing in the transition

61% of business leaders predict that increased costs from climate-related disruptions will impact their businesses in the year ahead

The Barometer is based on surveys, interviews and collective consultations with more than 300 executives across 50+ countries, conducted between March and early May 2025. It is a joint effort led by the WBCSD, in partnership with the Breakthrough Agenda, the Climate High-Level Champions and Marrakech Partnership Industry Group, and supported by Bain and Company.

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Top policy priorities per sector reported by business leaders

Global top 3 priorities | **Other priorities**

Sector	*Priority #1*	*Priority #2*	*Priority #3*
Power	**Infrastructure:** Streamline permitting, align market design, and advance interconnectors to scale investment in grid infrastructure and storage	**Finance and investment:** De-risk private sector investments in EMDEs, provide long-term contracts and set binding national RE targets	**Demand-side management:** Reward demand flexibility, support cross-sector electrification, and ensure affordability to consumers
Road transport	**Infrastructure:** Coordinated, standardized, and incentivized rollout of interoperable EV charging infrastructure	**Demand creation:** Set mandates, tax vehicles by emissions, and address higher initial costs of EVs, including for low-income consumers	**Finance and investment:** Expand concessional finance for EMDEs and offer incentives to boost EV manufacturing
Steel	**Demand creation:** Scale public procurement, catalyze private sector demand and strengthen carbon pricing mechanisms	**Standards and definitions:** Develop internationally aligned definitions and certification for low-carbon steel and lifecycle assessments	**Finance and investment:** Provide technology-agnostic funding and support access to low-cost renewable energy
Cement & concrete	**Finance and investment:** Scale financing for innovations and provide OPEX support for CCUS projects	**Demand creation:** Implement green public and private sector procurement mandates	**Standards and certifications:** Introduce carbon intensity- and performance-based standards to encourage innovation
Buildings	**Demand creation:** Introduce building performance thresholds, enhance green public procurement, and update building codes, incl. resilience	**Finance and investment:** Support CAPEX, tie concessional finance to carbon impacts and provide differential support by segment	**Standards and certifications:** Apply common standards based on embodied carbon and whole-lifecycle carbon assessments
Hydrogen	**Demand creation:** Implement industry-wide demand policies for low-carbon hydrogen utilization and implement carbon pricing	**Finance and investment:** Encourage public-private risk-sharing, develop infrastructure incentives and long-term offtake contracts	**Standards and certifications:** Establish harmonized standards and pilot agreements between countries with common H2 certification
*Fertilizer**	**Demand creation:** Introduce incentives for offtakers and introduce carbon pricing or carbon border adjustment mechanisms	**Finance and investment:** Introduce funding and risk-sharing mechanisms to unlock project financing	**Technology support and innovation:** Establish international public-private consortia to pool R&D funds and share knowledge

* Nitrogen-based fertilizers
The headline policy priorities are the ones the respondents selected the most frequently in each sector as requiring the most urgent progress. The specific policy priorities are based on interviews and sector consultations with leading businesses and business organizations.

Source: Barometer '25 Survey (N=304)

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