Press release
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Finance teams are prepared for new ESG reporting obligations, but challenges persist

- 45% of finance departments hold primary responsibilities for ESG reporting
- 85% of finance teams say they are well or fully prepared for new reporting obligations
- Data quality (41%) and data availability (32%) are the biggest challenges finance teams face when complying with the new ESG reporting requirements
- 38% of finance teams are integrating new processes with existing systems and 37% are investing in new technology and software to manage the new ESG reporting requirements
- Finance teams report stakeholder management (25%) and strategy design (21%) as their greatest critical skill gaps

Sydney, 28 October 2025 – Finance teams state they are on top of their new Environmental, Social and Governance (ESG) reporting obligations but admit there is still a way to go to overcoming key challenges and skills gaps, new independent research by specialised recruiter Robert Half finds.

Under new legislated mandates[1] that came into effect from January 1, 2025, many Australian businesses will be required to disclose climate-related risks and opportunities (the AASB S2 sustainability reporting standard or 'E' metric) that will impact their business prospects over the short, medium and long term. The reporting required under AASB S1, predominantly focused on the 'S' and 'G' metrics remains voluntary.

Research by specialised recruiter Robert Half finds employers largely distribute primary responsibilities for ESG across finance (45%), HR (35%), and legal and compliance (33%) departments, while about a quarter (26%) have created a dedicated ESG team and 8% have a dedicated DEI (Diversity, Equity and Inclusion) team. Only 4% of employers do not conduct ESG reporting in their organisation, while 1% of employers allocate primary responsibilities to another team.

How finance departments are handling their obligations

Most (85%) businesses where finance is responsible for ESG reporting say they are well or fully prepared to meet the new mandatory climate-related financial disclosure requirements (AASB S2), but some finance leaders admit there is still work to do.

Level of preparedness	**Proportion of employers**
Fully prepared - we have the systems and processes in place to meet the requirements	29%
Well prepared - we are well on track but have a few areas to finalise	56%
Partially prepared - initial steps taken, but more work is needed	13%
Not prepared - we have not yet started preparation	1%
Not applicable - my organisation is not affected by this mandate	1%

Independent survey commissioned by Robert Half among 196 finance hiring managers in Australia.

"Finance teams are playing a pivotal role in turning sustainability goals into measurable outcomes under the new ESG reporting requirements," says **Lauren Haxby, Practice Director at Robert Half.** *"While most teams feel confident in their preparedness, others acknowledge gaps that could hinder*

[1] An Overview of Australian Sustainability Reporting Standards, Australian Accounting Standards Board

their ability to meet the new climate-related disclosure requirements, underscoring the need for timely action and strategic investment in ESG capabilities."

Data and talent challenges ahead

When asked to outline what they foresee as the biggest challenges for their organisation in complying with the new ESG reporting requirements, only 3% of finance leaders did not have any challenges to report. The remaining 97% of finance teams see data, resources, and integration as key challenges they still need to overcome:

- Data quality 41%
- Data availability 32%
- Integration with existing systems/processes 28%
- Resource constraints 27%
- Limited internal expertise 27%
- Leadership buy-in and understanding 24%

Finance departments are allocating or developing a range of internal resources to manage the new ESG reporting obligations:

- 38% are integrating with existing systems
- 37% are investing in new technology and software
- 34% are upskilling existing employees and teams
- 31% are developing new internal policies and procedures
- 31% are establishing a dedicated ESG/sustainability reporting role or team
- 28% are hiring for new ESG-focused roles

"The road to effective reporting is paved with operational and strategic hurdles. The need for robust systems, talent, and governance frameworks to support accurate and reliable ESG disclosures is essential as reporting becomes more complex and regulated," says **Haxby**.

Single biggest skill gap is not technical

To effectively comply with ESG regulations, finance teams report stakeholder management (25%) and strategy design (21%) as their greatest critical skills gaps that they need to overcome.

The greatest skill gaps in finance teams, according to finance leaders:

1. Stakeholder management 25%
2. Strategy design 21%
3. Understanding of ESG legislation 19%
4. Change management 18%
5. Data governance 14%

"The skills gap we're seeing is less about accounting principles and more about human-centric capabilities. ESG reporting is as much a communication and leadership exercise as it is a financial one. This shifts the talent conversation as companies don't just need accountants who can crunch numbers, they need strategic thinkers who can navigate complex relationships, drive internal change, and translate intricate data into a compelling narrative for investors and the public," concludes **Haxby**.

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Notes to editors

About the research

The study is developed by Robert Half and was conducted online in July 2025, by an independent research company of 500 hiring managers in finance and accounting, IT and technology, and human resources. Respondents are drawn from a sample of SMEs as well as large private, publicly-listed and public sector organisations across Australia. This survey is part of the international workplace survey, a questionnaire about job trends, talent management, and trends in the workplace.

About Robert Half

Robert Half is the global, specialised talent solutions provider that helps employers find their next great hire and jobseekers uncover their next opportunity. Robert Half offers both contract and permanent placement services, and is the parent company of Protiviti, a global consulting firm. Robert Half Australia has offices in Brisbane, Melbourne, Melbourne South East, Perth, and Sydney. More information on roberthalf.com/au.

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