



# EHS & Sustainability **Staffing, Structure & Budget Report**

EXECUTIVE SUMMARY | FEBRUARY 2025



# Letter from the **Executive Director**



Whether driven by the marketplace, regulatory changes, or customer demands, EHS and Sustainability functions continue to evolve. NAEM's EHS & Sustainability Staffing, Structure and Budget Report is an essential resource for business leaders who are responsible for:

- Overseeing and driving EHS and/or Sustainability performance
- Managing and allocating resources (budget, personnel) for the EHS & Sustainability function(s)
- Identifying and developing improvements (process and personnel) to optimize effectiveness within the function

This is the only benchmark research designed by a committee of peer leaders to help others benchmark their organizations by industry, annual revenue, total headcount, and level of operational risk.

NAEM's research approach provides an unbiased, trusted source of data that will inform your discussions and decisions. The comprehensive analysis in this report offers a unique look at the organizational design, reporting structure, staffing levels, and budgets of EHS and Sustainability functions from nearly 150 companies. The results also document the scope of the EHS&S function across more than 60 core responsibility areas.

It's our hope that this report will help you make informed decisions about how to optimize the performance of your EHS & Sustainability function(s) for the year ahead and beyond. Now, let's dive into the findings.

Sincerely,

A handwritten signature in black ink that reads "Carol Singer Neuvelt". The signature is fluid and cursive.

**Carol Singer Neuvelt**  
Executive Director, NAEM

# Executive Summary

NAEM developed this benchmark for those who are responsible for designing EHS&S functions, creating staffing plans and establishing annual EHS&S budgets. This report features in-depth data from nearly 150 companies from across industry sectors to help inform decisions on:

- Evaluating your staffing levels relative to your company's revenue, headcount and level of organizational risk
- Assigning responsibilities across your EHS&S organization
- Understanding how to integrate EHS&S into your company's operations
- Establishing annual budgets
- Reorganizing after a merger or acquisition
- Key trends from 2020 to 2024

The full report contains more than 70 charts and figures that allow you to benchmark with peer companies on:

**Structure:** This section documents the types of organizational units represented among the responding companies, cross-tabbed by both revenue and headcount. It also offers insight into where the EHS and sustainability functions report within a company, as well as their executive-level visibility. The charts in this section are based on both the full respondent pool as well as segmented data based on the respondent's function. This section also includes a detailed analysis of the responses from multi-business conglomerates and holding companies for the purpose of understanding their unique structure.

**Responsibilities:** For the purpose of documenting the extent of EHS collaboration with other functions, the survey asked respondents to indicate whether the function 'leads,' 'collaborates' or 'participates' in the activity. This analysis provides a nuanced look at the roles and responsibilities of the EHS and sustainability functions.

**ESG:** This section briefly describes the impacts of ESG on EHS and Sustainability budgets, staffing, and roles within companies.

**Staffing:** This section provides a benchmark of EHS staffing by company size (both annual revenue and total number of employees, risk, and position types).

**Budgets:** The charts in this section include budget benchmarks by annual revenue, risk profile, and company type. They also reveal how the budget is distributed across categories of spending and changes in EHS&S budgets versus the prior fiscal year.

The following outlines a few key insights from the results:

## EHS professionals are being asked to do more with less

Over the last decade EHS&S budgets have decreased on a per total company FTE basis, and when measured on median, EHS&S budgets have not changed. This signals that despite nearly a decade of inflation, most EHS&S leaders have the same or fewer resources available today than when this report was published in 2016.

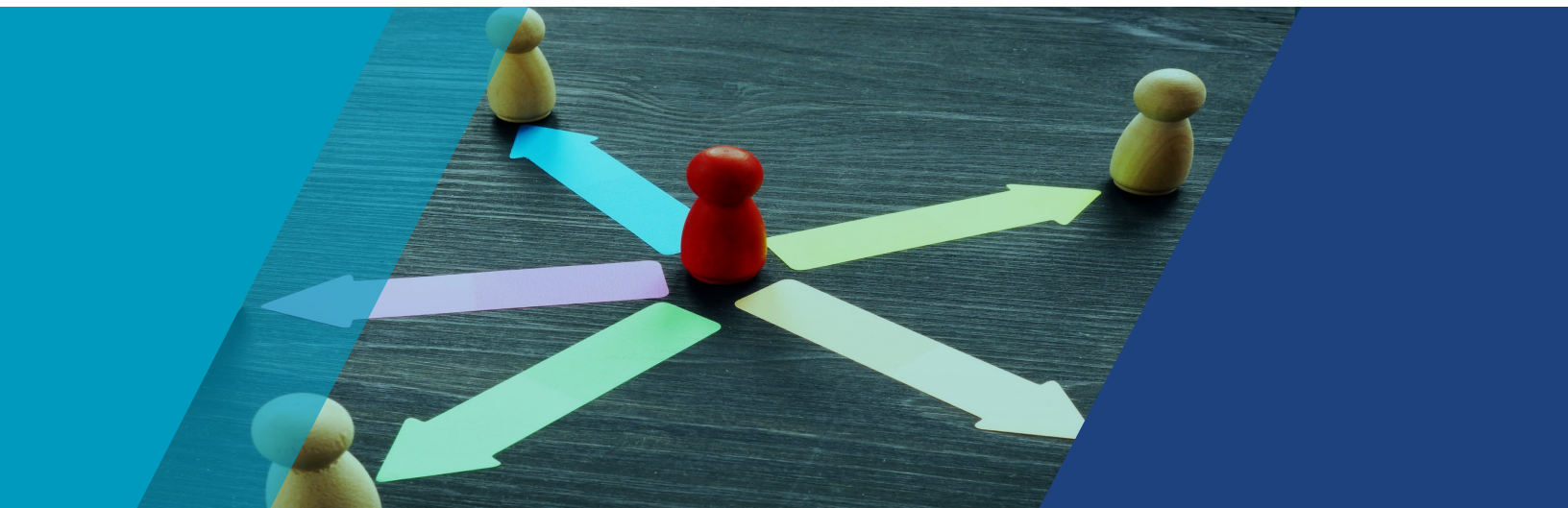
## EHS responsibilities are expanding in scope and intensity

While budgets have not increased, the areas of responsibility and engagement of the EHS&S function(s) have expanded. EHS&S professionals now lead, collaborate on, and participate in a broader portfolio of corporate initiatives than ever before. The data shows that the top two activities EHS&S leads are: Setting key performance indicators for EHS and Setting EHS Corporate Goals. Beyond the data, EHS&S professionals are being asked to commit more time and resources to ancillary activities. As an example, air emissions tracking (led by 70% of EHS&S respondents) has become more rigorous and resource and time-intensive in order to meet the demands of corporate financial reporting requirements.

## EHS budgets are not being negatively impacted by ESG

New and anticipated mandatory ESG reporting and disclosure requirements caused increases in over a third of respondents' EHS staffing and over two-fifths of respondents' budgets. More commonly, these requirements led to no change for respondents. Additionally, over half of respondents created a separate function to address ESG concerns.

The rise of distinct ESG departments coupled with the insight that most respondents have either not lost or gained resources during this shift shows that ESG, EHS, and Sustainability are not competing in a zero-sum game. Indeed, most respondents remained unaffected or have gained resources as the visibility of ESG concerns has increased.



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# EHS & Sustainability Staffing, Structure & Budget Report

Read NAEM's full report for a more comprehensive analysis of the organizational design, reporting structure, staffing levels and budgets of the EHS&S functions from nearly 150 companies across more than a dozen different industry sectors.

## What you will learn in the full report:

- Key activities and responsibilities of EHS&S leaders
- How peer companies structure their EHS&S functions
- Reporting structures for organizations of different sizes
- Staffing benchmarks based on industry, revenue, headcount
- Evaluating your staffing levels relative to your company's revenue, headcount and level of organizational risk
- Assigning responsibilities across your EHS&S organization
- Understanding how to integrate EHS&S into your company's operations
- Establishing annual budgets
- Reorganizing after a merger or acquisition
- Key trends from 2020 to 2024



Download the full report at [naem.org/ssb](https://naem.org/ssb).

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