



**MASTER YOUR
SUSTAINABILITY
DATA FOR THE
POST-CARBON
ECONOMY**



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MANY COMPANIES ARE FAILING TO COMPILE TRUSTED SUSTAINABILITY DATA

Compliance with the shift from voluntary to mandatory reporting demands trusted sustainability data. In turn, this enables cost reductions and the reusability of data. However, many companies are failing to compile and take advantage of sustainability data, even though it's a relatively easy opportunity that delivers significant benefits. In fact, every company should be using compliance as a stepping stone to build their sustainability data foundations.

RECOGNIZE THE RISKS OF MANUAL PROCESSING AND POINT SOLUTIONS

Most organizations today rely on manual processing or point solutions to manage their carbon emissions reporting. In reality, manual processing usually means a lack of standardized quality data, high operational costs, limited scalability, and high risk of inaccuracy and inconsistency. Meanwhile, point solutions often only partly address reporting challenges with limited scope of analytics, inadequate insights, and a lack of reusability and ownership of data.

Research¹ shows that only 7% of organizations have automated the collection of emissions data at scale. Similarly, where companies should be optimizing trusted data to enable insights driven decision making, only 11% of organizations are building emission data analytics and visualization capabilities to activate emission data. At the next level in the journey, only 14% of organizations are enabling suppliers to provide emission data at the right quality.

Although some companies have already put in place carbon management solutions, such

as carbon calculators, the data they feed in is still processed manually, taken from emails, spreadsheet files, and other sources. Other companies may have combined several solutions, creating a scattered data environment that stops them from automating their sustainability data processing. **32% of organizations say they face challenges in scaling and maintaining their data infrastructure to support their sustainability initiatives.** To support mandatory reporting, organizations need to properly manage their carbon data, starting with the foundations.

Moreover, for the full picture, we need to look at the ability of organizations to achieve data mastery. Data mastery is the point where organizations can claim to fully achieve their net zero goals benefiting from collaboration and data sharing at scale with external stakeholders. Being able to integrate data from external sources such as satellite data, partners, data vendors, and other third party data suppliers is critical in achieving scope 3 carbon accounting. Here, only 33% of organizations say they collaborate with their wider ecosystem, including competitors, in order to develop common industrywide methodologies to measure emissions.



POOR MANAGEMENT OF SUSTAINABILITY DATA COMES AT A **HIGH COST**

Increasingly, companies need to demonstrate evidence of commitments on environmental, social and governance (ESG) performance. They need to report and disclose on compliance, while monitoring and tracking targets. For the c-suite, the pressure is on.

Beyond mandatory reporting, there is increased pressure for more transparency. Stakeholder attitudes to greenwashing and deforestation are unforgiving, while supplier due diligence is also under the spotlight. As a common thread throughout, the cost of capital and rapidly changing consumer habits add additional pressure.

The c-suite has pressing challenges to overcome to achieve sustainability reporting compliance. **However, the challenge is a data challenge rather than a reporting challenge.**

The c-suite shares responsibility for compliance reporting, and while each has different data challenges, they need to be tackled simultaneously and collaboratively. But what are the preoccupations of the sustainability focused c-suite and what issues should they be concentrating on?

CEOs

CEOs need to communicate the sustainability efforts of the organization to enhance the reputation of the company and reduce the cost of capital.

CEOs need to focus on engaging with the broader data ecosystem to create sustainable business at scale.

CFOs

CFOs are responsible for ESG reporting solutions and risk management, operating in an environment where sustainability reporting and accounting requirements are rapidly evolving.

CFOs face a range of challenges, such as the increasing complexity of achieving compliance with regulatory reporting requirements and the associated escalating risk of fines resulting from regulatory non-compliance. They also face the increased cost of capital, as poor sustainability data management can weaken ESG performance, making the company less attractive to investors.

In the light of these challenges, CFOs should be focusing on integrated reporting, and how to ensure compliance with regulatory reporting requirements. They need to consider how they're implementing Sarbanes-Oxley Act (SOX) controls in data collection. And that they're able to trace consolidated data back to source.

CSOs

CSOs are responsible for ESG calculation, especially carbon accounting, greenhouse gas (GHG) data, and other impact measurement. They also need to satisfy unprecedented demand from an increasing number of internal stakeholders requiring new sustainability data insights.

CSOs are particularly challenged by high operational costs. Manual processes are labor intensive and prone to error, leading to high running and audit costs. CSOs must also manage reputational risks. These occur when they are unable to support marketing pledges with robust evidence, leading to reduced reputation in the market. In turn, this leads to a negative impact on sales and difficulties in attracting the best talent.

To meet these challenges, CSOs should be focusing on how to track progress against sustainability targets and ambition. They need to communicate their sustainability efforts to all stakeholders, building corporate reputation.

And they must identify how best to automate scope 1, 2 and 3 calculation and reporting. They also need to agree who is the business data owner.

CDOs

CDOs are responsible for data trust, data management, data ingestion, data transformation, and data activation.

CDOs need to identify how to capture trusted environmental data from across the organization into a unified accountability system. They're particularly challenged by the need to ensure data quality and integrity, inevitably spend much of their time cleaning, qualifying, and integrating data.

To overcome these challenges, CDOs should be focused on mastering data for sustainability. They need to ensure the required level of trust in and auditability of the data through data governance, quality, lineage and master data management. They will be concerned with what data platform capability they can leverage. And what current data governance and data management framework are applicable.



TRUSTED DATA MANAGEMENT WILL SOLVE YOUR SUSTAINABILITY CHALLENGES

Sustainability Data Hub works by helping you be in control of your sustainability data in a single, secured, and trusted environment to accelerate your carbon footprint reporting. It will also help you create new sustainability insights across your business to enable efficiencies and increase revenues, boosting the integrity and reputation of your brand or opening new market opportunities.

The speed and success of your corporate sustainability transformation journey depends on your ability to orchestrate trusted data, navigating a rapidly evolving operating environment and its challenges. Sustainability Data Hub will help you build a robust foundation for trusted emission data management. Through the orchestration of trusted data, from collection and management to automation and analytics, you'll get actionable insights for data driven decision making.

Properly orchestrated in the Sustainability Data Hub, data products related to your business domains, such as procurement, supply chain, HR, and finance, will fuel your sustainability use cases. Combined with AI for advanced analytics, this will help you manage operational, transitional, and reputational business risk, as well as regulatory reporting or planning and forecasting. It can even help you manage stakeholder pressure. By ensuring transparency and trust, you'll also gain confidence when reporting to employees, regulators, consumers, society, and shareholders.

SUSTAINABILITY DATA HUB DELIVERS PROVEN BENEFITS

1. TRUSTED SUSTAINABILITY DATA

Sustainability Data Hub enables strong data governance, with data quality and ownership, and it ensures the auditability of your data through transparency, context, and lineage. Automation is a key benefit, as it accelerates data integration and processing, reducing the risk of error and supporting growth.

2. INSIGHTS DRIVEN SUSTAINABILITY PERFORMANCE

Sustainability Data Hub streamlines and enhances your modelling capabilities, enabling you to apply a common data model and a data-as-product approach to facilitate data consumption and sharing. It will deliver comprehensive monitoring and reporting capabilities, allowing you to monitor progress and report on your performance. And it will also help you create predictive insights for informed decision making and seamless, sustainable transformation.

3. TRANSFORM AT SCALE

Sustainability Data Hub empowers you to scale up, embrace agility, and gain intelligence to manage the transformation into sustainable business model. You'll also be able to share your data easily with internal and external stakeholders, increasing sustainability accuracy, and creating new transformative business models.



MAKE EVERY STEP COUNT ON YOUR SUSTAINABILITY JOURNEY

Not all organizations need to start their sustainability journey to net zero from scratch. They may already have point sustainability solutions in place or data capabilities, and may be working with third party partners to build collaborative ecosystems.

Businesses in this position may need to extend, modernize, or build on their existing foundations. The initial focus should be on building a data foundation through automated data collection. And then on orchestrating the rollout of the approach, extending the reporting metrics and the scope of the project to industrialize the process. Because to master your sustainability data, you need to advance along your sustainability journey with a series of progressive steps.

Wherever you are on your sustainability journey, Sustainability Data Hub can accelerate your progress through a variety of architecture routes.

ORCHESTRATING TRUSTED DATA WITH EXTREME FLEXIBILITY

As organizations mature along their sustainability journey, risks turn into opportunities. Orchestrating trusted data can help organizations create value along their sustainability data transformation journey, going beyond emissions data reporting.

Data is a powerful and significant lever to accelerate your sustainability journey. It's a fact that using emissions data in decision-making has a positive impact on organizations' progress towards sustainability. **53% of organizations that have embedded emissions data into their decision making have experienced an acceleration in their sustainability journey¹.**

Companies seen as true data masters are those that achieve impact through scale and collaboration. They run models for optimization, forecasts, and scenarios analysis. They identify new business opportunities.

¹ [Source: Capgemini Research Institute, Data for Net Zero survey, May–June 2022](#)

And they inform business decisions that lead to sustainable transformation. But how do the various ESG reporting standards measure up?

ASSESSING ESG REPORTING SOLUTIONS

- **Manual solutions** rely on data being managed and loaded by an individual. This is a labor intensive process, prone to error. It doesn't deliver real insights for action and doesn't satisfy audit requirements.
- **Point solutions** reduce manual effort and improve consistency. But they lack strong data governance and still feature data silos. Also, self-service analytics and data collaboration are not enabled.
- **Data hub solutions** enable data to be loaded automatically. Data is then processed in a scalable environment, with data governance embedded to ensure control, data trust, transparency, and consistency. Businesses can perform self-service analytics on actual data, supporting business decision making. Data sharing and collaboration are enabled through data marketplaces.

If you're already working with partners on sustainability challenges, you might think your bases are covered by existing data solutions, perhaps including data foundations, data lakes, and data analytics. However, the solutions you have may not be suitable for the challenges you face.

Often, solutions like a carbon calculator are still fed with manually processed data. If you have combined solutions

in a dispersed data environment, then you probably won't be able to automate sustainability data processing. Therefore, while you're trying to solve your reporting challenge once a year, you miss the key benefit of having proper centralized carbon data management to ensure trusted data. Sustainability Data Hub will manage your data from collection and standardization, through automation and predictive analytics, to a long term and consistent solution.

Depending on your readiness, we can help build on specific roadmap to bring you to data mastery. If you're already collaborating with a partner to solve a particular challenge, then we can integrate that solution into Sustainability Data Hub. If solutions are missing or superfluous, then we can work together to add or remove them. We have a strong and extended ecosystems of partners which allows us to guide you on finding the right solutions or optimizing what you already have.

THINK BIG, START SMALL, SCALE FAST

Your solutions for sustainability data management need to embrace your vision for the future, but they also need to be pragmatic and flexible. You need to start small, enabling you to hit the ground running, but you also need to ramp up your activities fast.

We can help you achieve consistency and reusability of sustainability data products across multiple businesses to manage related costs, efficiency, and accuracy. We can enable you to leverage our centers of excellence, engaging with multiple technology partners to achieve

seamless integration and enabling best of breed performance. And we can also advise you on deploying a wide range of accelerators to help you along the way, optimizing your efforts and maximizing the benefits.

SUPPORT A MULTITUDE OF SUSTAINABILITY USE CASES

Once your Sustainability Data Hub is operational, it can support a multitude of sustainability use cases, starting with carbon footprint management. In a corporate social responsibility (CSR) context, it supports carbon management as a service, enabling carbon footprint monitoring. For your finance function, it supports ESG reporting, with a focus on CAPEX / OPEX and climate risk.

In procurement, Sustainability Data Hub enables a sustainable approach, allowing you to evaluate

supplier risks and modelling, and supplier due diligence. This will help you identify, for example, spend per supplier and ESG data per supplier. Then in supply chain and operation, Sustainability Data Hub supports participation in the circular economy, facilitating supply chain traceability and optimization, and energy, water, and waste efficiency. In the process, it can monitor logistics emissions, energy use, and machine failure.

Meanwhile, in R&D and Engineering, Sustainability Data Hub can support sustainable product development, focusing on the product's environmental footprint, including the impact of its ingredients, the energy it manufactures, and the impact of its packaging.

US MULTINATIONAL IT company

Enable consistent and timely reporting to meet sustainability ambition

Together we helped this global IT company to successfully report around 250+ environmental metrics related to recycled content, circularity, forest, GHG, energy, supply chain, and water to support their sustainability reporting. At the same time, we allowed business teams access to this data.

Up to
60%
time saving

\$3B
new sales

CANADA'S LARGEST metals and mining company

Transformation program from data strategy to environmental data estate modernization

Our collaboration enabled this metals and mining company to reduce adverse business impact and risk exposures, resulting from their operations in the natural environment. This was achieved by establishing centralized and standardized data access for analytics and reporting. We also enabled solutions covering issues from regulatory disclosures to evidence compliance.

33%
reduction in carbon intensity* of operations by 2030

38%
reduction in high potential incidents

5%
reduction in 2021

GLOBAL COFFEE chain

Anticipate regulatory ESG reporting requirements through ESG data hub activation

We're supporting the world's most famous coffee chain to address gaps between current and future state technology strategy and architecture. This includes helping them to track and support their ESG initiatives and meet their ESG goals and regulatory compliance.

Up to
40%
audit cost saving

50%
time reduction for ESG report production

DRIVE YOUR SUSTAINABILITY PERFORMANCE SUCCESSFULLY

Mastering your sustainability data will enable you to create relevant insights, solve your compliance and reporting challenges, and optimize new business opportunities. It will also help elevate the integrity and reputation of your brand.

Establishing a trusted data environment that is controlled, secured, and orchestrated will help your organization benefit in many business scenarios impacting your sustainability performance. Sustainability Data Hub is a flexible solution. It allows you to start from your current position,

add solutions from new or existing suppliers, or build your sustainability data foundations from scratch. You can design and adapt it as you move forward, scaling and accelerating your solution rollout to support a multitude of sustainability use cases, and fulfil your transformation roadmap.

Accelerating along the transformative data-driven sustainability journey is an imperfect art, but implementing Sustainability Data Hub will keep you on track and ahead of the game.



About Capgemini

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