

### Our Discussion Today

- 1. Sustainability Landscape: Urgency and Opportunity
- 2. Turn Sustainability Ambition into Action
- 3. IBM Sustainability Software



### Our surveys confirm:

CEOs face pressure, urgency, and uncertainty as they pivot to action on sustainability

Effective execution requires conviction, a strong technology and data foundation, and open innovation

Integrating
sustainability and
digital transformation
drives stronger business
performance



Sustainability isn't just about compliance, it's an opportunity to innovate, make a difference, and grow

60%

of CEOs see significant demand from investors for greater transparency on sustainability 64%

of CEOs are confident they'll achieve sustainability goals 80%

of CEO expect sustainability investments to improve business results in the next five years



### Sustainability and ESG programs need to shift from philanthropy and compliance to growth and innovation

## Cost Centers Philanthropy Compliance



- "Traditional" sustainability and restoration efforts designed to improve reputation or comply with regulations and watchdogs
- Does not produce financial returns but can have some social and environmental impact
- **Example**: Donating to charities, giving volunteer hours for employees, ensuring compliance against regulations (e.g., do not waste in the river)



- Operational investments that improve operational efficiency for positive environmental and social benefits
- **Example**: Savings at hotels with energy efficiency programs

#### Revenue Generating

**Sustainability and Growth** 



- Investments to business models that align actors in the ecosystem to produce positive social, environmental, and financial returns
- Enduring, profitable, and scalable solutions designed around inclusive ecosystems
- **Example**: Re-evaluating and refining supply chains to increase transparency and traceability (i.e., decarbonization, increase efficiency, no forced / child labor)

## Successfully building a sustainable business is intrinsically tied to data

44%

of CEO's cite a lack of insights from data as a problem

60-73%

of all data is never used for analytical purposes\*

42%

of CIOs think Sustainability is the business area digital technologies will have the greatest impact over the next 3 years

<sup>\*</sup> Forrester report

# Trailblazers are driving growth by aligning sustainability initiatives and digital transformation

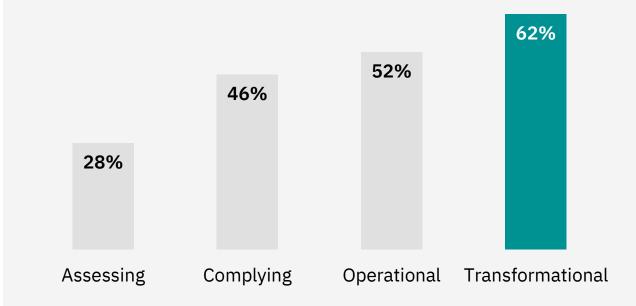
72%

are piloting or implementing only parts of their sustainability strategy

30%

report explicitly aligning their sustainability and digital transformation efforts

#### % reporting sustainability outperformance



Transformational CEOs who go "all in" on sustainability are achieving better sustainability outcomes and better business performance

### To thrive in a sustainable world, leaders must:

- 1 Define their ESG/sustainability Goals
- 2 Establish a clear Baseline
- 3 Operationalize their sustainability goals





#### Turn sustainability ambition into action

### Sustainability Strategy and Roadmap

Co-creating a sustainability agenda and pathways towards delivering corporate social impact and business value

### ESG Data, Reporting and Risk Management

System of record for ESG data and insights to measure, report, operationalize and achieve your sustainability roadmap





and infrastructure

### Intelligent assets, facilities

Operational insights to drive clean energy transition, efficient waste management, and decarbonization



and green IT

### Responsible computing

Responsible computing to enable sustainable IT and drive social impact



### Sustainable supply chains and circularity

### Define sustainability goals, demonstrate progress to your investors, trading partners, employees and clients

Sustainability Strategy and Roadmap

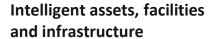
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### Responsible computing and green IT

Responsible computing to enable sustainable IT and drive social impact



### Sustainable supply chains and circularity

### What goals is your organization focused on to drive ESG outcomes?



innovation and infrastructure

for the goals

and production

below water

### Create a single system of record for ESG data to establish a clear baseline

**Sustainability Strategy** and Roadmap

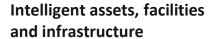
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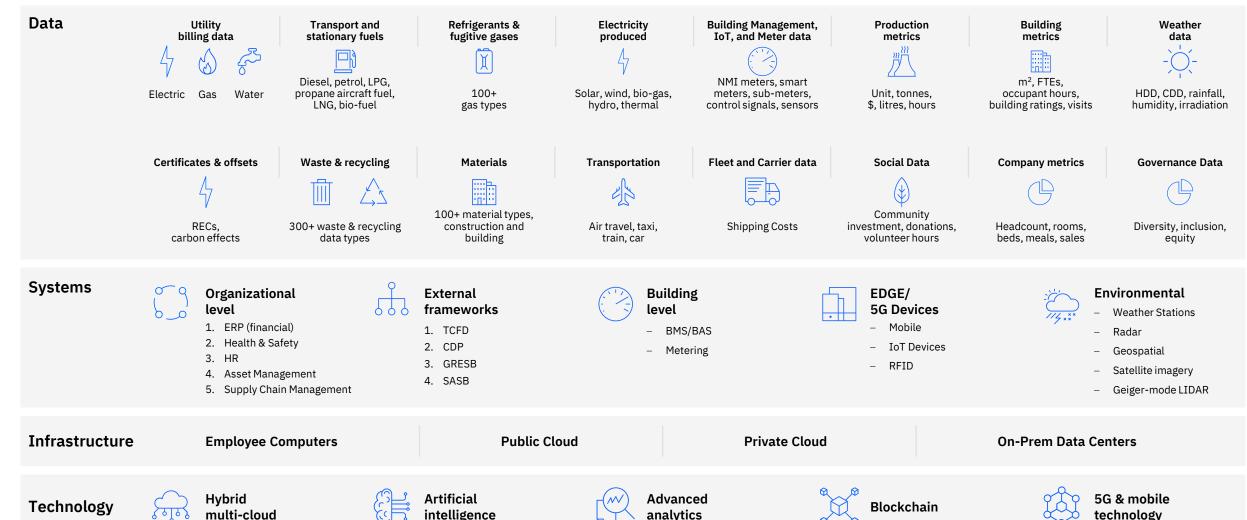
### Responsible computing and green IT

Responsible computing to enable sustainable IT and drive social impact



### Sustainable supply chains and circularity

### How are you capturing, consolidating, and analyzing your sustainability data?



### Connect your ESG data management with the systems that run operations to drive transformation

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### Sustainable supply chains and circularity

# Where is the opportunity in sustainable operations?



Companies with a network of Physical Assets

Reduce emissions

Energy efficient facilities and assets

Longer asset life

Climate risk mitigation

Regulatory compliance



Companies with a large IT
Infrastructure

Reduce emissions

Lower cost of IT

Improved power utilization

Regulatory compliance



Companies with complex
Supply Chains

Enable track and trace

Lower product carbon footprints

Reduce fuel consumption

Deliver sustainable sourcing

Scope 3 emissions

Regulatory compliance

20%-30%

Increased productivity

30% in 6mo.

Reduced cloud and data center consumption

52%

Reduction in expedited freight costs



#### IBM's sustainability solutions

Turn sustainability ambition into action with IBM and an ecosystem of partners

IBM Consulting and **Ecosystem Partners** 

Strategy, experience, technology, managed services capabilities

**Sustainability Strategy** and Roadmap

Garage for Sustainability (co-creation) Sustainability strategic advisory services

**ESG Data, Reporting** and Risk Management Envizi, Environmental Intelligence Suite, social and climate risk intelligence







Intelligent assets, facilities and infrastructure

Maximo TRIRIGA



**Responsible computing** and green IT

Turbonomic z16 | LinuxONE IBM Cloud



Sustainable supply chains and circularity

Sterling Order Management Supply Chain Intelligence Suite

IBM Technology and Ecosystem Partners

Infused with AI and hybrid cloud technologies

