

Innovating in Pursuit of
Climate Action
and Environmental
Sustainability





From reducing carbon footprint to improving energy efficiency, sustainability in organisations continues to surge in importance on the C-Level agenda. To attract new customers, talent and investment, organisations must demonstrate to a wide range of stakeholders, including institutional investors, regulators, clients and employees, that they are putting their climate change strategies into action.

Many large organisations have done this by reporting their compliance with regulations such as the streamlined energy and carbon reporting (SECR). However, by injecting creativity and innovation into their business practices and operations, pioneering organisations have developed forward-thinking, sustainable business models that bring them business advantage.

The analyst CDP reports that **'corporations that are actively managing and planning for climate change, secure an 18% higher return on investment (ROI) than companies that aren't - and 67% higher than companies who refuse to disclose their emissions'**¹.

With a timeframe of fewer than ten years to avert the most severe impacts of climate change, there is an urgency around the scale of action and leadership required from every organisation.

¹ CDP, 2018, press release, *New research shows clear gap between companies' awareness of climate risks and actions for tackling them.*

How 'best-in-class' organisations are going beyond business-as-usual

1. Reduce emissions

To be able to reduce greenhouse gas (GHG) emissions you first have to measure and report them. Reporting must go beyond the minimum standards of compliance set by regulatory bodies. Reported GHG emissions provide a measure of an organisation's performance.

Declining emissions express improved performance driven by:

- Adoption of the Task Force for Climate-related Disclosures (TCFD) reporting standards
- Ambitious, long-term emissions reduction targets complying with the target of limiting the rise in global temperatures to 1.5°C that the Science Based Targets Initiative (SBTi)² has approved

...and enabled by:

- Putting an internal price on carbon
- Becoming a carbon neutral or Net Zero organisation



At Sopra Steria, we report our GHG emissions, our energy consumption and sources, and our climate-related risks and opportunities to CDP. Our goal is to reach Net Zero by 2028. The first phase of our Net Zero emissions programme was launched to eliminate emissions from our direct activities (in offices, on-and off-site data centres and business travel). We have long been carbon neutral for our offices, data centres and business travel worldwide, and are now entering the second phase of the emissions programme aimed at eliminating emissions from our indirect activities (supply chain, commuting and treatment of waste).

We have successfully reduced our absolute Scope 1 & 2 emissions by 74% per employee since 2015 and we are ranked in the top 2% of companies globally for managing our greenhouse gas emissions.

² IPCC, 2018, *Global Warming of 1.5°C*

2. Focus on energy

For most organisations, energy consumption is a significant source of GHG emissions, whether in manufacturing products or servicing offices, factories, warehouses, or data centres. Innovation starts with premises that fulfil high standards for energy performance (such as HQE and BREEAM) but goes further with an energy strategy that embraces:

- Procurement of renewable energy through the energy supplier and power purchase agreements
- Generation of renewable energy on-site, where it is practical to do so
- Purchase of renewable energy instruments such as Guarantee of Origin and International Renewable Energy Certificates for electricity and Green Gas Certificates for gas

The expansion in the number of green power purchase contracts over the last 20 years shows that, like the US tech giants, large European organisations are increasingly switching to renewable energy.



Tech Giants like Intel and Apple have both heavily invested and implemented 'green energy' initiatives. Intel has commitment to operate on 100% green energy by 2030. Its green powered projects consist of an array of activities that help it to achieve its goals, such as the installation of solar farms. In 2020, Intel successfully obtained 100% of its energy supply and purchases from renewable sources in the US, Europe, Israel and Malaysia³. Just like Intel, Apple uses 'green energy' to power its operation. Since 2018, Apple's stores, offices and data centres have run on 100% renewable energy⁴.

³ <http://csrreportbuilder.intel.com/pdfbuilder/pdfs/CSR-2020-21-Full-Report.pdf#page=56>

⁴ https://www.apple.com/euro/environment/pdf/a/generic/Apple_Environmental_Progress_Report_2021.pdf

3. Reduce waste: the circular economy

The linear “take, make, dispose” economic model relies on having energy and virgin materials cheaply and easily available, but is reaching its physical limits. By reusing materials, a circular economy minimises the amount of resources that must be extracted and maximises the value of products and materials throughout their lifecycles.

Applying the principles of the circular economy could unlock up to €1.8 trillion of value for Europe’s economy. According to The Ellen Mac Arthur Foundation, organisations must play a central role in making the systemic changes required to unlock this value:

- Designing waste and pollution out of processes
- Keeping products and materials in use for more than one lifecycle
- Regenerating natural systems by working with clients, partners, and the supply chain

Johnson and Johnson has implemented innovative initiatives in the fight to reduce waste. The organisation pledged to make all of its consumer’s plastic packaging either reusable, recyclable, or compostable by 2025. Some initiatives Johnson and Johnson has implemented include The Acuvue Contact Lens Recycle programme, which allows people to recycle contact lens and their packaging. They also successfully removed all plastic microbeads from their cosmetic and personal care products in 2017⁵.



At Sopra Steria, we reduce, reuse and recycle. This helps us decrease the natural resources we use and the emissions we produce while conserving energy and landfill space. Our zero-waste-to-landfill and single-use plastic campaigns ensure that our company and our employees are aware of the importance of waste disposal and the effects that it has on the environment.

One of the ways Sopra Steria embeds sustainability into our operations is by purchasing closed loop paper. Our used paper is recycled and remanufactured as a paper product with no deforestation to provide the fibre in the paper that we subsequently purchase.

⁵ <https://jnj.co.uk/latest-news/8-innovative-ways-johnson-johnson-is-helping-the-environment>

4. Engage employees

Reducing GHG emissions and participating in the circular economy requires profound changes in how an organisation organises itself and operates. To change, it must engage its employees in the need for change and tap into their creativity and initiative.

For example, an organisation must:

- Inform and engage employees through employee ambassadors, specialists and partner organisations
- Listen to employees, and, where practical, embrace and implement their ideas
- Encourage employees to embed environmental sustainability in their day-to-day work
- Support employee volunteering on environmental projects in the local community

Establishing an Environment Management System (certified to ISO14001) to manage key environmental impacts (such as energy and water consumption, business travel, waste management, etc.) helps ensure that the effects of the changes are measured and monitored.



At Sopra Steria, we go beyond reducing the environmental impact of our organisation to integrating all aspects of sustainability into our organisation. We embed sustainability principles and practices into our community, environment, marketplace and workplace. All employees are given paid time off to volunteer, and we reward exceptional contributions to the greater good with awards and recognition. We empower our employees to do more for the causes they care about. Happy employees make an organisation successful, so we listen to our people carefully, and engage them proactively.

Active employee engagement along with our collaboration with academia and innovative specialist partners have helped us to receive recognition from EcoVadis, CDP and others for our performance in environmental and sustainability management.

5. Engage the supply chain

Organisations rely on their supply chains to deliver contracts and meet business objectives. In a globalised economy, GHG emissions from an organisation's supply chain can be as much as four times those from its own operations, and so to reduce its GHG emissions it must engage its supply chain as much as its employees.

To do this an organisation can:

- Adopt a responsible purchasing policy, to promote the purchase of products and services with low environmental impact
- Leverage technological developments to reduce its overall environmental impact, e.g. using blockchain technology to secure the supply chain⁶
- Engage in the circular economy and thereby preserve resources
- Prioritise its supplier base on spend and risk for engagement in reducing GHG emissions
- Develop an engagement and support plan for suppliers



At Sopra Steria we want to make sure we're supporting organisations that share our sustainability vision. We ask all suppliers to agree to our Code of Conduct and Terms & Conditions, which contain legally binding sustainability commitments. We assess all suppliers based on the sustainability risk they pose, and we engage "sustainability critical" ones further; we assess them using Ecovadis, engage them in reviews of their performance and report our activity regularly. In this way, we ensure that our supply chain upholds our standards for environmental, social and economic sustainability.

⁶ World Economic Forum, 2018, Building Blockchain for a Better Planet



Final thoughts

The actions that we take now to limit emissions are crucial to the future. Organisations that weave innovative environmental programmes into their fabric not only support the move to a Net Zero economy for all, but can also build competitive advantage, improve their reputation and can benefit from faster growth, higher employee retention and cost efficiencies.

More information

At Sopra Steria, we have a dedicated team of specialist sustainability consultants ready to accompany you on your organisations journey to a sustainable future. We are committed to leading the way in sustainability and our achievements and awards are what set us apart.

We understand that there is no all-purpose route to Net Zero, which is why we will work closely with you to truly understand your organisation, to help navigate your challenges and tailor a solution to suit.

Sopra Steria has over a decade of practical experience in measuring, understanding and managing our GHG (carbon) emissions, and are preparing to make our own transition to Net Zero by 2028. This experience combined with our business process transformation credentials means we are well equipped to guide and support your organisation on its journey to Net Zero.

For more information about how we can help you to improve your organisations sustainability and environmental performance, please contact Siva or Avinash at the details below:

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We look forward to working with you.

