

# Charting the path to a net zero future

The net zero era is emerging as a time of great change and challenge as we endeavor to sustain a planet healthy enough to be our home. It's also a time for optimism, when business leaders can seize opportunities to innovate, with sustainability as a cornerstone.

Here are the three critical areas where we believe businesses should focus to ensure they grasp the full range of possibilities of the net zero era:

## Digital+

### Become digital to the core

Using a digital-first mindset, businesses can reduce their environmental impact, foster the collaborative interconnections needed to solve complex problems, and turn linear business models into circular ones.

## Removing carbon

Businesses realize the need for reducing emissions, and digital tools will play a critical role in achieving their targets.

Percent of companies committing to each type of carbon reduction goal:<sup>1</sup>



By 2030, AI technologies will help cut greenhouse gas emissions by more than 6% in North America.<sup>2</sup>

Impact of deploying AI for environmental applications by 2030



## Collaborating seamlessly

When like-minded companies collaborate and share outcomes, they stand a better chance of cutting emissions and improving sustainability. More businesses are joining hands:



## NET ZERO 2040

UK retailers are rallying around a joint roadmap to fully decarbonize stores, deliveries and products by 2040.<sup>5</sup>

## Going circular

Circular business models design out waste, lengthen product usage timeframes and return materials to the product lifecycle. Amid high consumer interest, businesses are just starting to respond:



While three in four companies are analyzing circular business models, only 12% have made them central to their current business strategies.<sup>8</sup>

## Consumer empowerment

### Rebuild consumer relationships

Consumers are demanding more control over the products they buy, the services they consume, the choices they make and the experiences they choose. This makes it essential for businesses to enable co-creation, hyper-personalization and new levels of trust.

## Co-creating innovations

Using lower cost and more widely accessible technologies, consumers are taking a greater role in designing the products or experiences they value.



## Showing them you know them

Consumers expect to be recognized as individuals via personalized interactions and transactions.

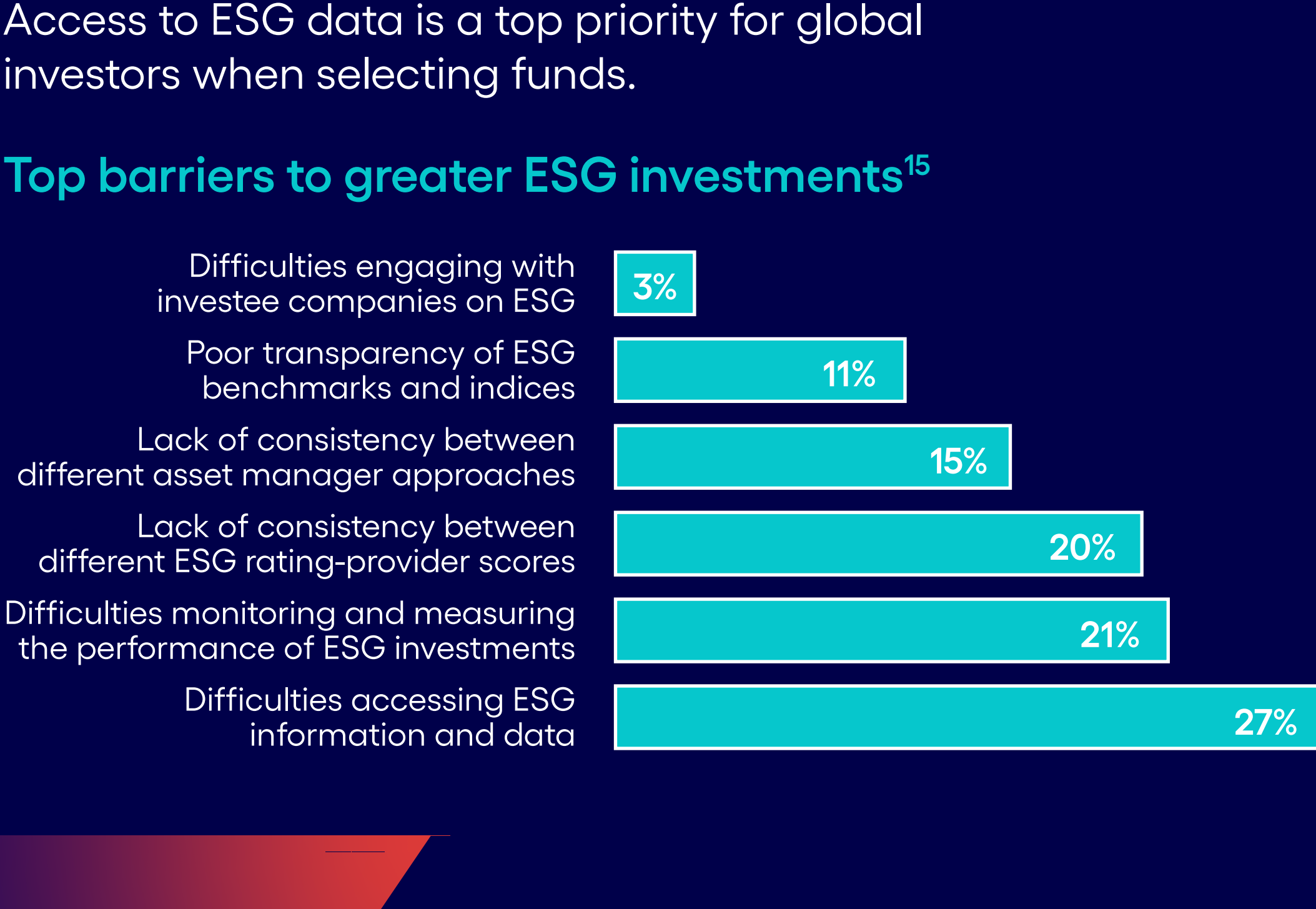
76% of consumers say they're more likely to purchase from brands that personalize, and 78% are more likely to recommend them.<sup>11</sup>

72% of consumers will only engage with marketing messages that are personalized to their interests.<sup>12</sup>

33% of businesses in the US and UK are devoting half their digital marketing budget to personalization efforts.<sup>13</sup>

## Building trust

When it comes to ESG commitments, actions and transparency matter more than words for investors.



Access to ESG data is a top priority for global investors when selecting funds.

### Top barriers to greater ESG investments<sup>15</sup>



## Purpose

### Energizing the soul of the net zero enterprise

To attract and inspire the next generation of talent, businesses will need to deliver a workplace experience that fits with their lifestyle needs, desires, choices and commitment to social and environmental goals.

## Embracing inclusivity and sustainability

76% of Gen Z workers and 71% of millennial workers see commitment to environmental protection and sustainability as critical when choosing an employer.

65% of young workers say it's extremely or very important for their employer to positively impact society ...

... but only 24% believe their employer's position on climate change to be "very genuine."<sup>16</sup>

To learn more, read our report, "The Future of Us"

### Endnotes

- <http://www.sustainabilityconsulting.com/blog/2021/6/29/how-fortune-500-companies-set-and-measure-sustainability-goals>
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