Approaches to moving towards a ‘Green future’

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IBM's longstanding commitment to environmental stewardship

1965
CEO Thomas Watson Jr. Commits IBM to responsible corporate citizenship

1988
- First goal for Nonhazardous waste recycling
- Goal for PFC emissions reductions

1990
Begins annual corporate environmental reporting

1995
Goal for use of recycled plastic resins in products

2001
First purchase of contracted renewable energy for use in operations

2007
Published position on climate change, calling it a "serious concern that warrants meaningful action on a global basis"

2019
Founding member of the *Climate Leadership Council* supporting bipartisan plan for carbon tax and dividend

Jan. 2022
IBM introduces Sustainability Software and Consulting; acquires Envizi to help clients operationalize sustainability goals

1971
IBM issues first Corporate environmental policy

1975
First goal for energy conservation

1989
Goal for CFC elimination

1994
IBM advances voluntary reporting through the Public Environmental Reporting Initiative (PERI)

2000
First goals for
- CO_2 reduction
- Water conservation
- Reuse & recycle end-of-life products

2003
IBM becomes the first company to recover and recycle one billion pounds of IT and e-waste

2010
Require suppliers to implement an environmental management system, set goals and publicly disclose performance

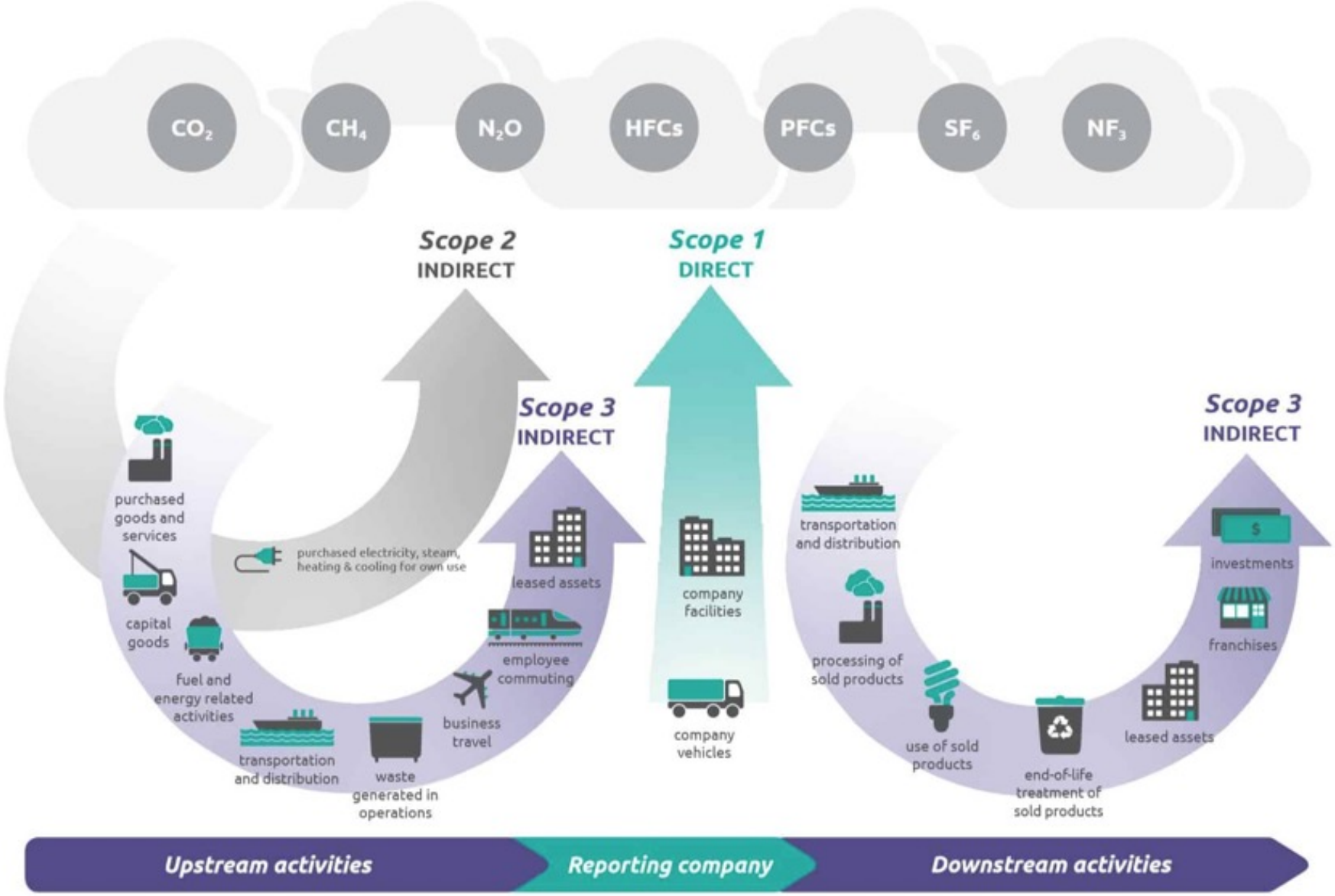
2021
IBM Commits To Net Zero Greenhouse Gas Emissions By 2030

Feb. 2022
IBM launches Sustainability Accelerator to scale organizations supporting communities vulnerable to climate change

The rise of Sustainability and ESG

The ESG Framework

Complexity rises with Scope 3 – technology can only manage it



Where Software technology can help in Sustainabilty and the IBM mapping

IBM Consulting and Ecosystem Partners

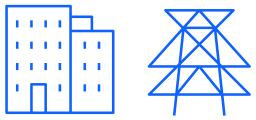
Strategy, experience, technology, managed services capabilities

Sustainability Strategy and Roadmap

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

ESG Data, Reporting and Climate Risk Management

Envizi
Environmental Intelligence Suite



Intelligent assets, facilities and infrastructure

Maximo
TRIRIGA

Responsible computing and green IT

Turbonomic

Sustainable supply chains and circularity

Sterling Order Management
Supply Chain Intelligence Suite

IBM Technology and Ecosystem Partners

Infused with AI and hybrid cloud technologies

Sustainability Challenge

Regulatory

Rising pressure to meet environmental, social & governance (ESG) goals.

Decarbonization Targets

Record commitments by companies. But most lack a roadmap to get there

Yet invisible, high emissions in Supply Chain

Up to 80% of emissions are coming from the supply chain.

Environmental challenges

Create business risks across the enterprise.

IBM's sustainability solutions

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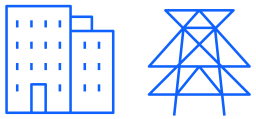

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Common way to track ESG data today

Audit readyness?

Reliable, trusted data?

Data health, completeness ?

Do we start it from scratch next year?

Just reporting annually or reaching net zero?

Image source https://www.consider.biz/excelheavenandhell/

What are requirements to succeed establishing foundation towards Sustainability?

- Automated collection and consolidation of all Sustainability data
- Calculate GHG emissions out of the box – know-how
- Score or help in data quality and completeness
- Embedded analytics and audit readiness
- Up to date (managed) ESG disclosure frameworks and workflow capability – know how
- Decarbonization – programs; target setting & tracking
- Energy efficiency – benchmarking, alerting

Envizi helps organizations harness the power of data and analytics to achieve their sustainability goals.

1.

Build ↷

Data Foundation

A single system of record that delivers auditable, financial grade sustainability data

2.

Streamline ↷

Reporting + Disclosure

GHG calculation and flexible reporting tools to meet internal and external requirements

3.

Accelerate ↷

Decarbonization

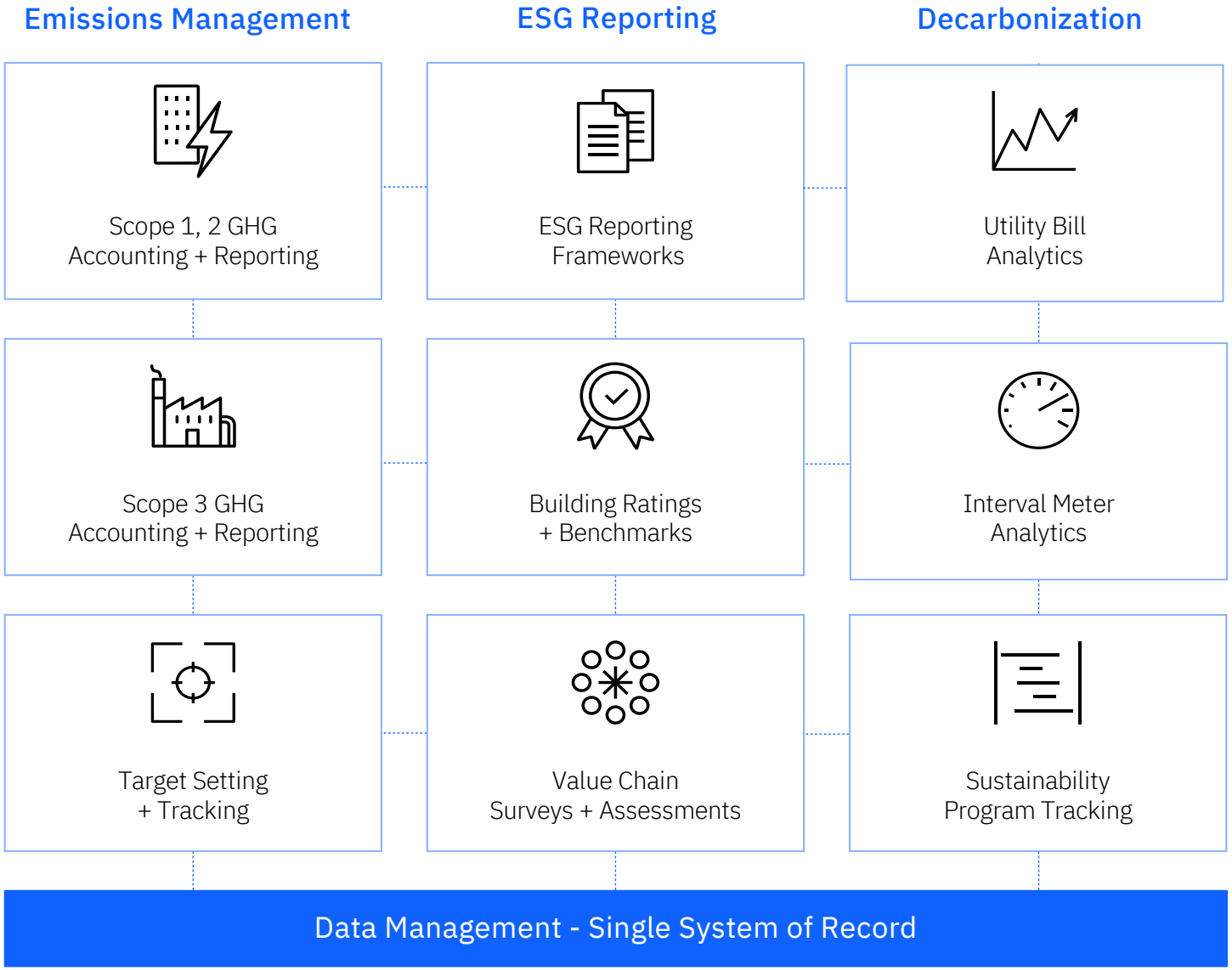
Unlock insights to inform the fastest and most cost-effective pathway to low carbon goals

Envizi - Purpuse built and out of the box

Platform

Solution

IBM Envizi – a modular and complete solution



Envizi microsite and trial

Key takeaways

Technology can help to establish a data foundation

Data foundation creates a baseline for truthful understanding of AS-IS situation

Automated capture provides no mistakes, trusted data

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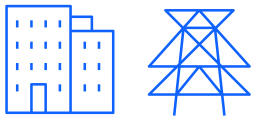

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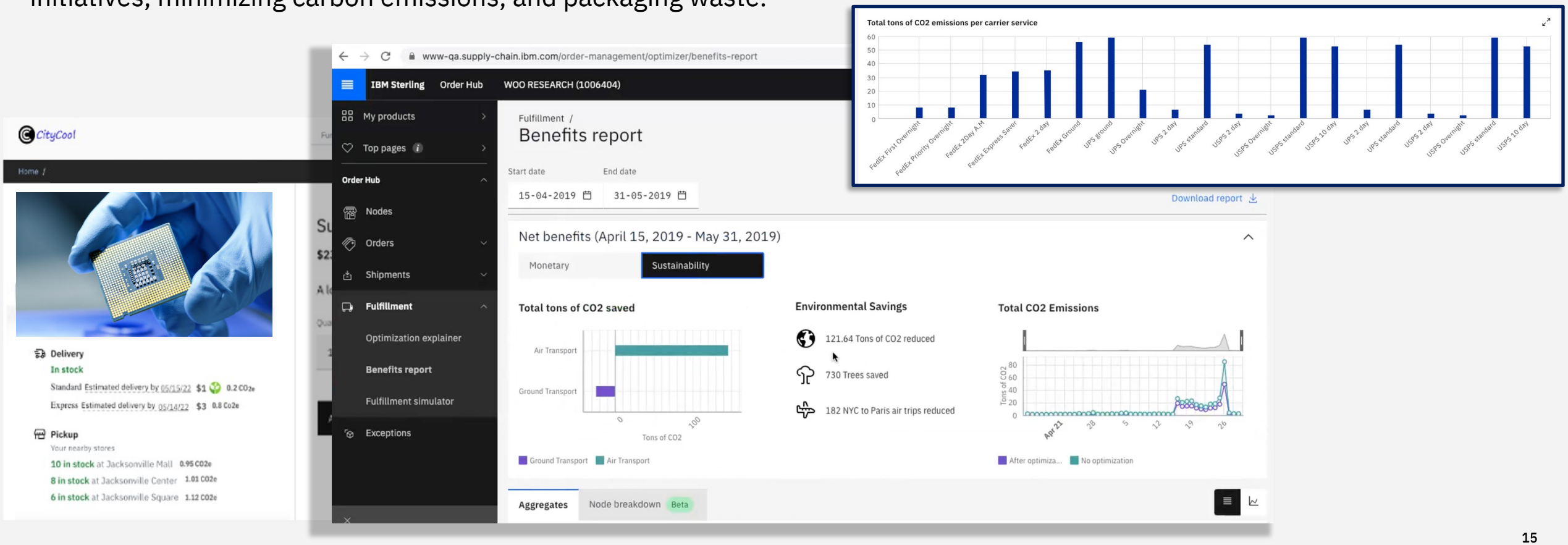
Fulfillment Optimization

Benefits Reporting with Carbon Emissions

What's next

Measure, monitor & report on carbon emissions produced. Streamline supply chain sustainability. Future, set levers to optimize fulfillment based on sustainability initiatives, minimizing carbon emissions, and packaging waste.



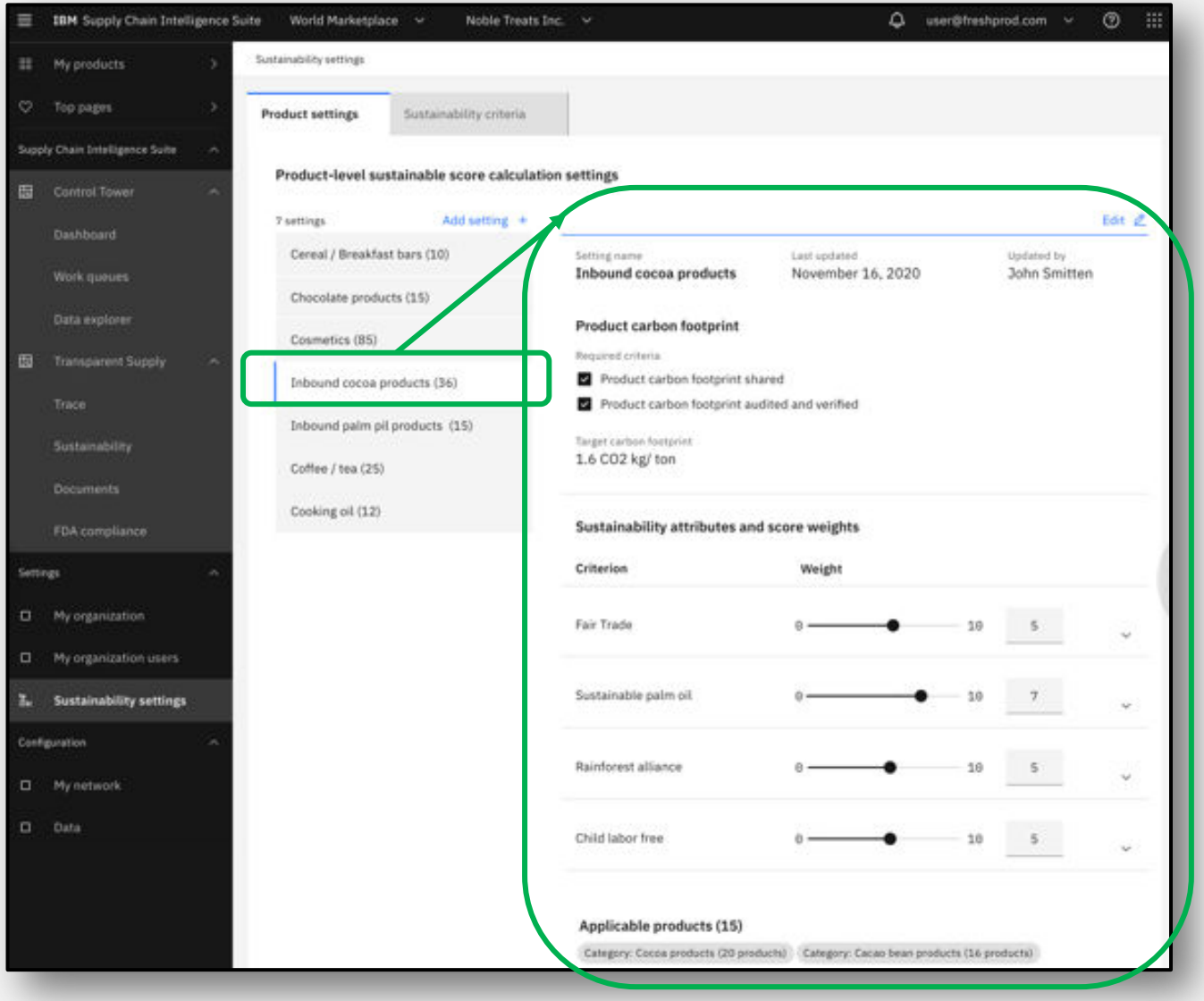
IBM's statements regarding its plans, directions, and intent are subject to change or withdrawal without notice at IBM's sole discretion.

Responsible Sourcing Scoring

Monitoring Product & Supplier Sustainability Performance

What's next

- Ensure that the ingredients sourced are sustainable and certified according to industry/commodity-specific sustainability standards.
- Define responsible sourcing requirements for a Specific Product or Commodity Group
- Weight sustainability scores according to organizational priorities such as….
  - Product Carbon Footprint data
  - Fair-trade
  - *RSPO certified*
  - Rainforest alliance certified
  - Child-labor free



Key takeaways

Carbon emission in the distribution process

Importance of sourcing and carbon neutrality