

An aerial photograph of a coastline with a blue line graphic. The blue line starts from the bottom left, curves upwards and to the right, then curves back down and to the left, ending near the top right. It passes behind the white text box and over the Capgemini logo.

Research brief - Capgemini Research Institute 2025

Driving business value through sustainability

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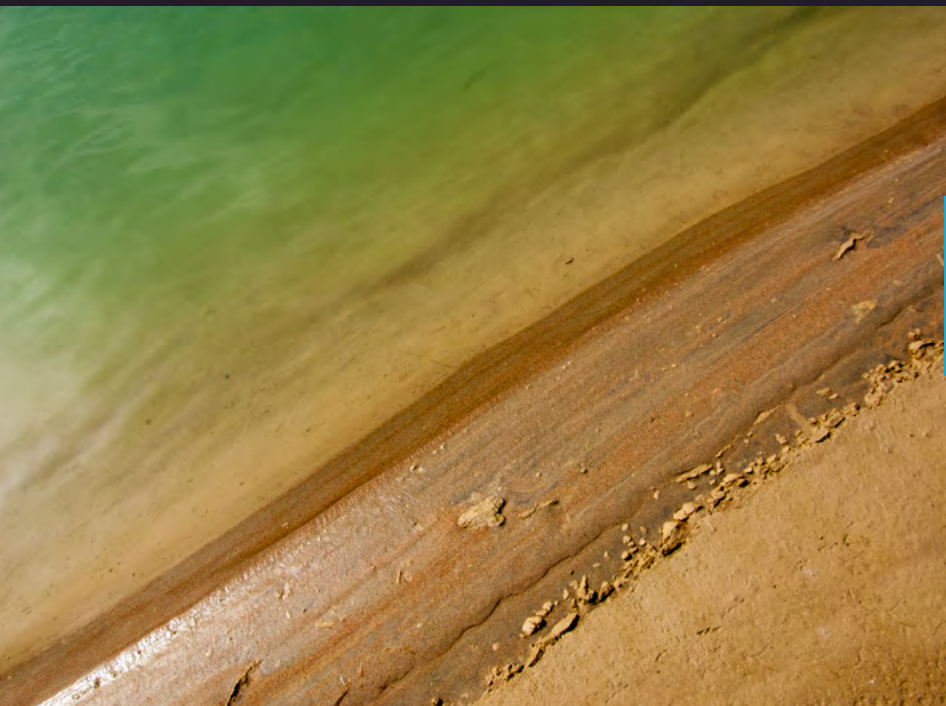
02

- Cut costs
- Drive sales
- Reduce risks
- Build stakeholder value
- Enhance competitive advantage



04





01

Executive summary



I Executive summary

Climate change, resource scarcity, and shifting consumer expectations are transforming the way businesses operate. In parallel, sustainability has transcended its role as a mere compliance tool to become a critical driver of business value, innovation, and long-term competitiveness. We conducted a comprehensive survey of 1,000 executives in organizations with more than a billion dollars in revenue from 12 countries across 12 industries in March 2025. We found that sustainability continues to be top priority and organizations are doubling down on their investment commitments - 82% will increase their sustainability investments in 2025 and 98% will do so by 2026. The reasons are not hard to see:

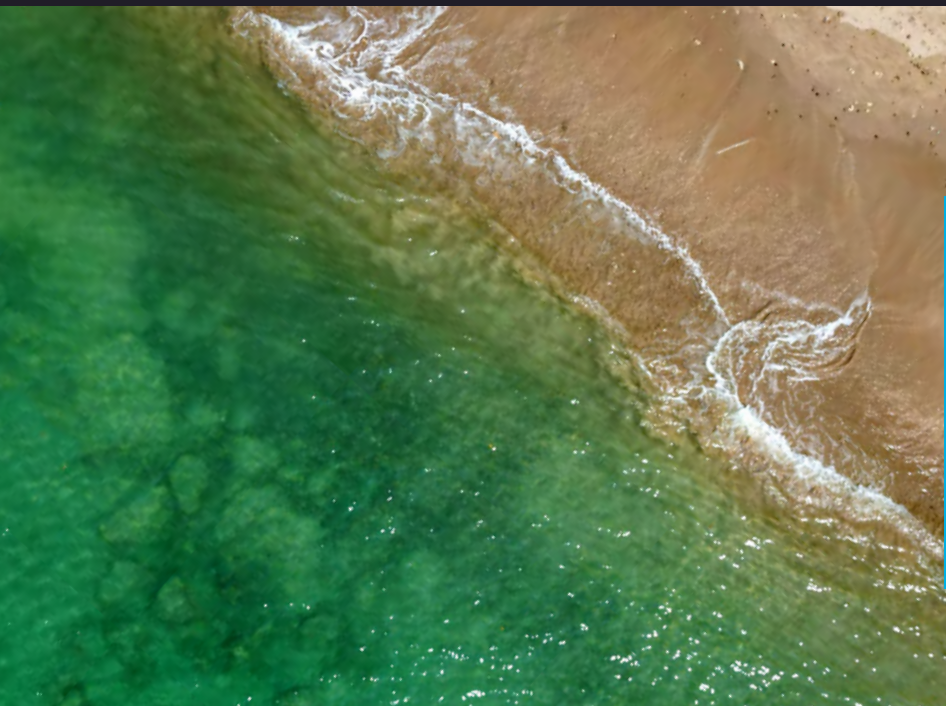
- Organizations are investing in sustainability initiatives because of the associated cost savings. Many have already realized savings from 8-20% across a range of areas including waste reduction,

supply chain costs, and more. There is significant scope for further benefit as ~95% have realized only 26% of the overall cost savings potential.

- Sales is the top driver of sustainability investments - 82% of organizations say that they invest in sustainability initiatives to boost sales.
- Sustainability is known to reduce risks. Almost three in ten organizations state that insufficient sustainability action has led to regulatory challenges, and 44% have suffered reputational damage due to sustainability inaction.
- Sustainability gives organizations a competitive edge: 69% say they owe their innovation acceleration pace to sustainability, while 54% say that they have lost market share to a competitor with more sustainable products.



For more details on the research methodology, please refer [appendix](#).



02

Sustainability – A driver for business value creation



I Sustainability initiatives drive business value

Enhance competitive advantage

- Organizations are experiencing an innovation boost with sustainability initiatives
- Organizations are losing market share to competitors with more sustainable products

Cut costs

- Organizations are realizing savings across a range of areas including waste reduction, supply chain costs, energy and water consumption, raw material costs, and more

Drive sales

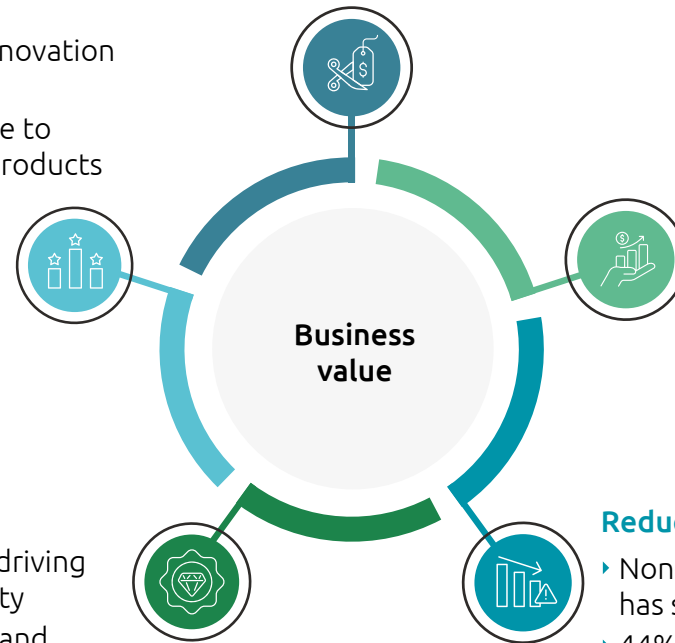
- Sustainability initiatives attract new customers and help organization venture into new markets
- Four in five organizations invest in sustainability because it boosts sales

Reduce risks

- Non-compliance with sustainability requirements has strong direct and indirect impacts
- 44% organizations have incurred reputational damage due to sustainability inaction

Build stakeholder value

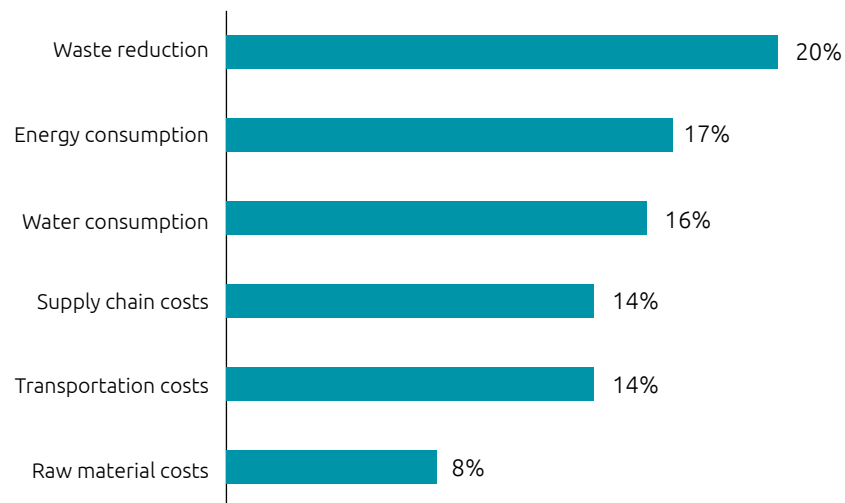
- Sustainability initiatives are directly driving shareholder interest and brand equity
- Brand reputation, customer loyalty, and employee engagement are getting a boost



| Organizations have unlocked significant cost savings through sustainability

Sustainability has pulled most cost savings in waste reduction and energy consumption

Actual cost savings achieved in the past three years across different areas



A major retailer

saved 20% waste cost through a data-driven and machine-learning pricing solution that optimizes markdowns and reduces food waste

A leading car manufacturer

saved €12 million in 2024 through weight reduction and automatic gearbox local integration development

A major postal agency

saw 30% cost savings through a resilient distribution and reverse network and a new operating model on planning and execution

A global automotive giant

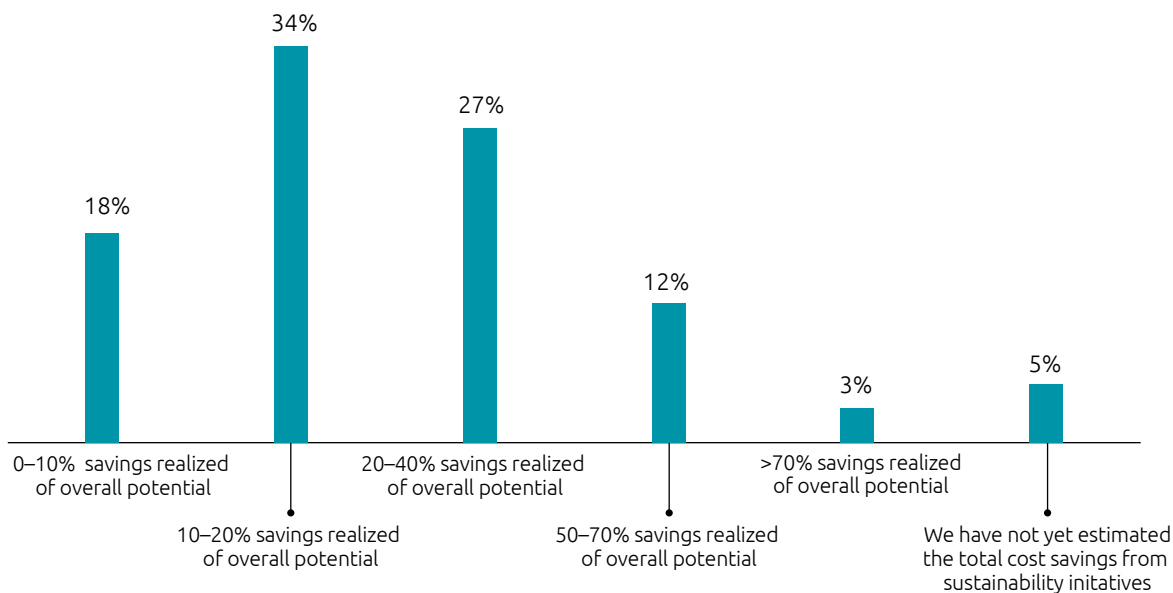
saw 15% savings/year with 57% of CO₂ reduction through the modernization of an application and the migration to the cloud

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives
Figure shows weighted average of savings

Organizations hold on to the cost savings potential of sustainability in the future

Most organizations are still in early stage of realizing potential savings through sustainability initiatives

Position of organizations in the cost savings journey through sustainability




~95%

of organizations have realized
26% of the overall cost savings potential

“With our new e-forklift fleet, we save around two million liters of diesel/fuel gas per year – in total, this results in 7,000 tons less CO₂ per year.”¹—Radeberger Group, the largest brewery in Germany

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives

1) Radeberger annual report 2023

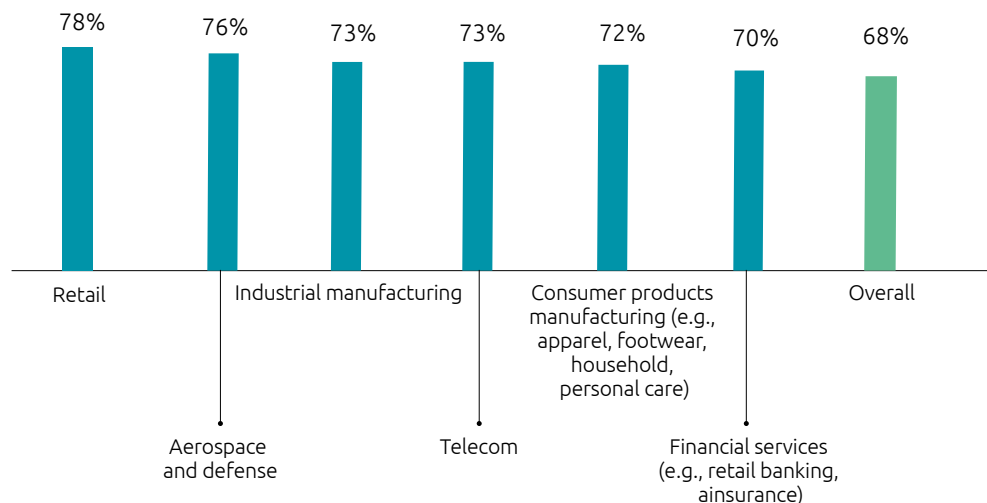
An aerial photograph of ocean waves, showing a mix of deep blue and green water with white foam from the breaking waves. The waves are moving from the top right towards the bottom left.

62% | of organizations invest
toward sustainability because
of the associated cost savings.

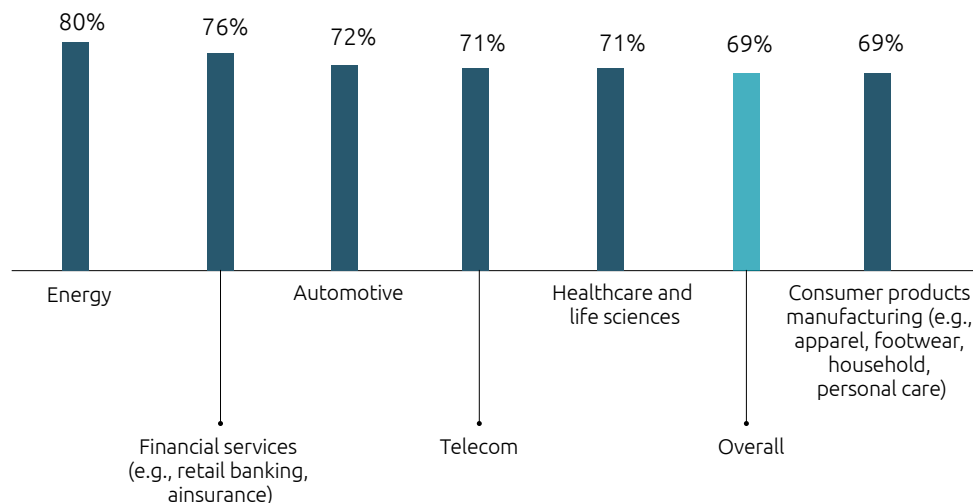
Water consumption and supply chain optimization are the next big opportunities

Two in three companies across industries are expecting to further reduce their supply chain and water consumption cost

Industries which expect to save above 20% in supply chain costs in next three years



Industries which expect to save above 20% in water consumption costs in next three years

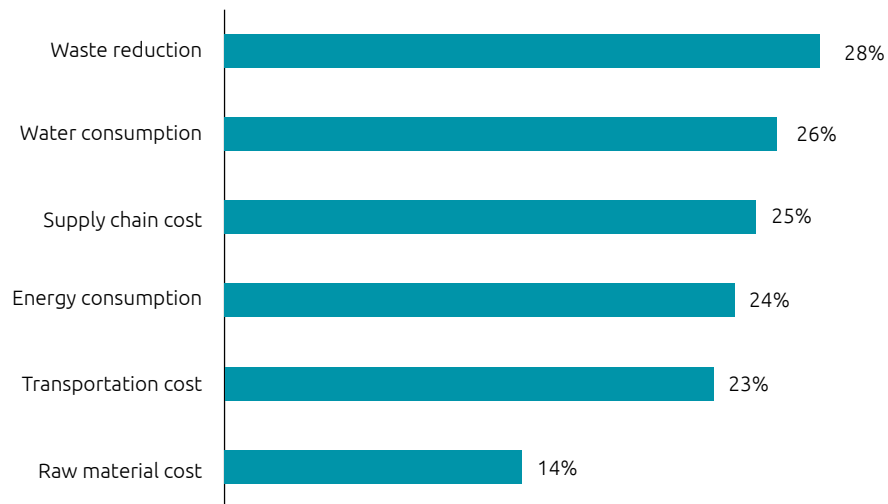


Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives

| Organizations are optimistic about sustainability cost savings

Waste reduction and water consumption are expected to see more cost savings

Expected cost savings in the next three years across different areas



Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives

Figure shows weighted average of savings

1. Best Practices for Water Management & Reduction Strategies, SBER, March 2015

2. CDP, "Strengthening the Chain," October 2024

More than 75%

of organizations in retail and aerospace sectors are expecting above 20% savings in supply chain costs.

Water consumption is a major opportunity:

—Burns & McDonnell

reduced water use by more than 50% through several initiatives. They installed low-flow fixtures and a new boiler system to circulate hot water around the building. Additionally, they managed stormwater onsite using bioswales and green roofs.¹

\$165 billion

— Potential financial gains from upstream climate-related opportunities, per CDP²

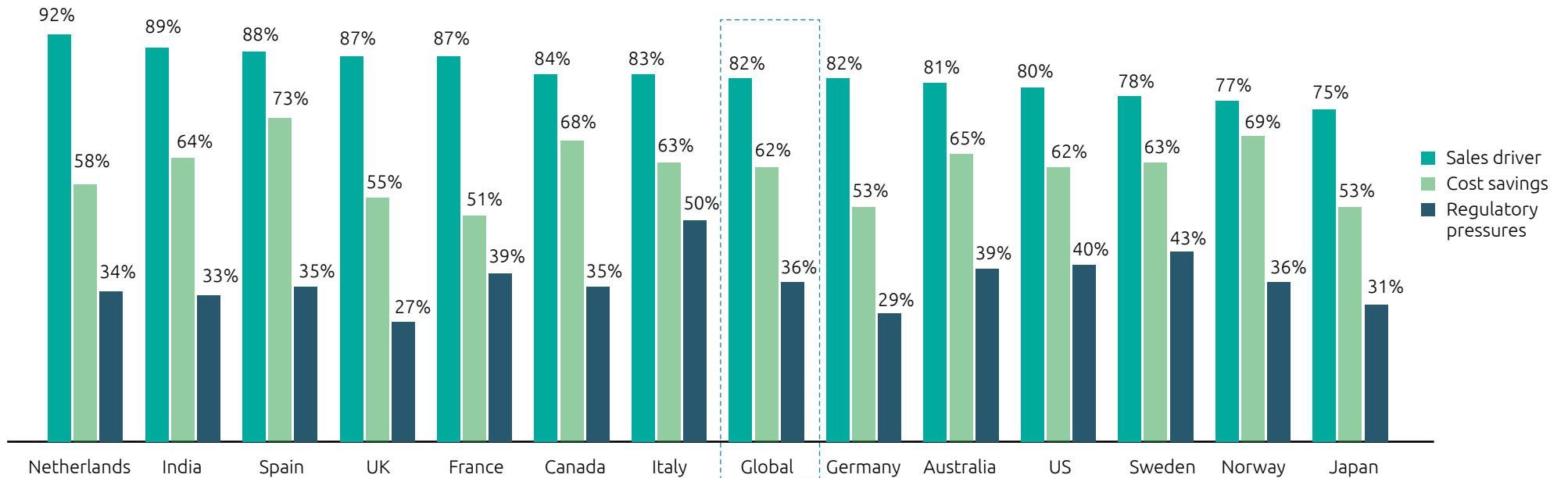


82% | of organizations invest
in sustainability because
it boosts sales.

| Sales is the TOP driver of sustainability investments

Drivers of sustainability investments

Sustainability drivers across countries



Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 984 executives

| Sustainability has helped organizations boost their sales

Organizations across industries have shown tangible sales benefits because of sustainability

Two in three organizations from utilities, financial services, and telecom industries agreed that sustainable product design is helping them tap new markets.



Sustainability is driving net sales growth and margin expansion at Holcim. We are seeing rising demand for sustainable offering that comes with price premiums."

– **Miljan Gutovic, Head of Region Europe & CEO, Holcim AG, 2025**



The robust top line momentum of our business highlights the strong demand from our customers to drive their digital and sustainability transformations."

– **Roland Busch, President, CEO & Member of Management Board, Siemens AG, 2024**



Our global footprint and breadth of product coverage contributed to another record year in OTC Energy as we capitalised on strong demand for environmental products and continued growth in crude and energy markets, particularly in Europe."

– **Matt Thistle, Global head of OTC Energy, 2025**



The guiding principle Sustainable Automation sums up our focus: innovative production technologies that deliver both climate friendliness and maximum automation. This enables us to support our customers in addressing two of their most pressing challenges, namely decarbonization and securing their competitiveness."

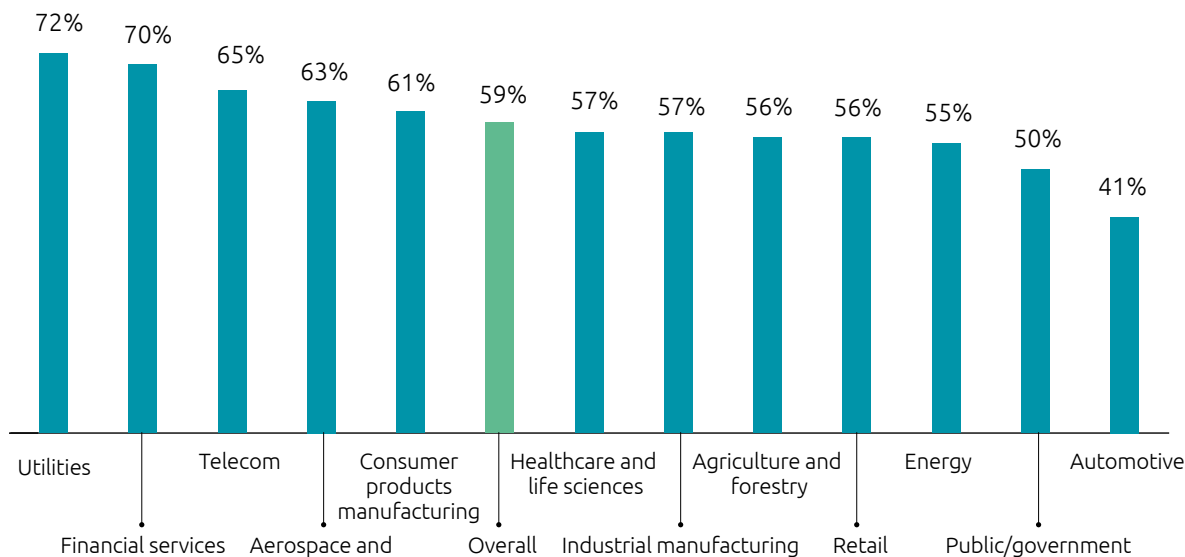
– **Dr. Jochen Weyrauch, CEO, Dürr Group, 2025**

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives
Holcim AG - Analyst/Investor Day 2025; Siemens Aktiengesellschaft, Q2 2024 Earnings Call, May 16, 2024; [Marex group annual report 2024](#); [Dürr Group annual report 2024](#)

Sustainable design is creating new products and unlocking new business opportunities

More organizations are developing new products through sustainable design in 2025 as compared to 2022

Organizations across industries that have developed new products through sustainable design



Organizations that developed new products through sustainable design

59%

2025

22%

2022

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives; Capgemini Research Institute, sustainable product design survey, April—May 2022, N=900 organizations



"Embracing sustainability is not just good for the planet, it is great for your organization's top and bottom-line. Our clients who embrace sustainable design are organically creating more products and market opportunities than ever before."

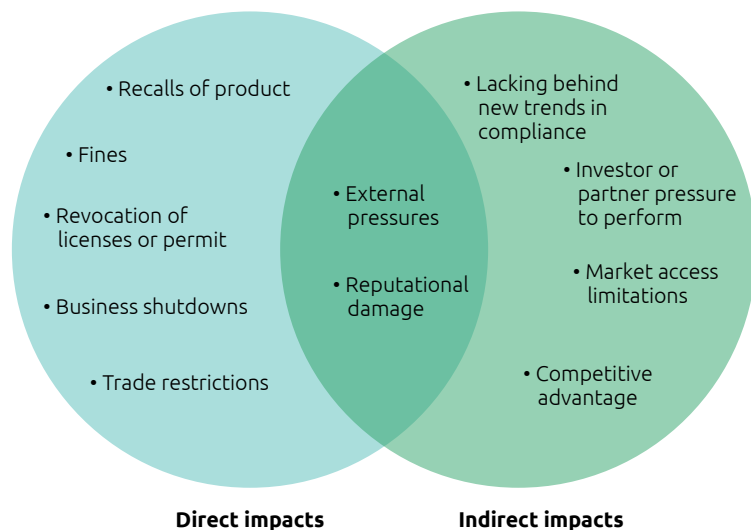
Anirban Bose

CEO Americas, Capgemini

Non-compliance with sustainability requirements have strong direct and indirect impacts

More than one in four organizations stated that they have run into regulatory challenges due to sustainability inaction

Business consequences of non-compliance



27%

Organizations have run into regulatory challenges (fines, loss of permits, trade restrictions) due to inaction on sustainability initiatives

How can it affect profitability?



(+) Revenue opportunities

Access to programs or funds for sustainable initiatives, including government grants (tax incentives, low interest green loans, and purchase rebates for customers).



(-) Cost reduction

Avoid or minimize fines, penalties, and legal cost associated with non-compliance



(=) Profits

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives



44%

Organizations that have
incurred reputational damage
due to sustainability inaction



"Compliance with environmental regulations is no longer a cost – it's an opportunity to innovate, differentiate, and build trust with stakeholders. The cost of inaction is far greater than the investment required to meet these standards."

Cyril Garcia

Head of Global Sustainability Services
and Corporate Responsibility, Capgemini

Sustainability initiatives are directly driving shareholder interest and brand equity

Sustainability initiatives are attracting new customers and helping organizations to venture into new markets

Industry viewpoint on sustainability



Consideration of sustainability risks and opportunities is an essential component of a world-class fundamental research process. Our sustainable investment research prioritizes the same intellectual rigor that shape all our active management capabilities."

– Pam Holding, Head of Sustainable Investing at Fidelity

Source : [Sustainability mag](#)



Many business leaders are seeing the relationship between long-term success and sustainability, and that's very heartening"

– Jacqueline Mars, American Investor

Source : [Mirror review](#)

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives



"Sustainability is not just an environmental responsibility but a strategic opportunity for businesses to create long-term value. By integrating sustainable products, processes and technologies, companies can not only reduce their ecological footprint but also drive innovation, enhance their reputation, build customer loyalty and employee engagement."

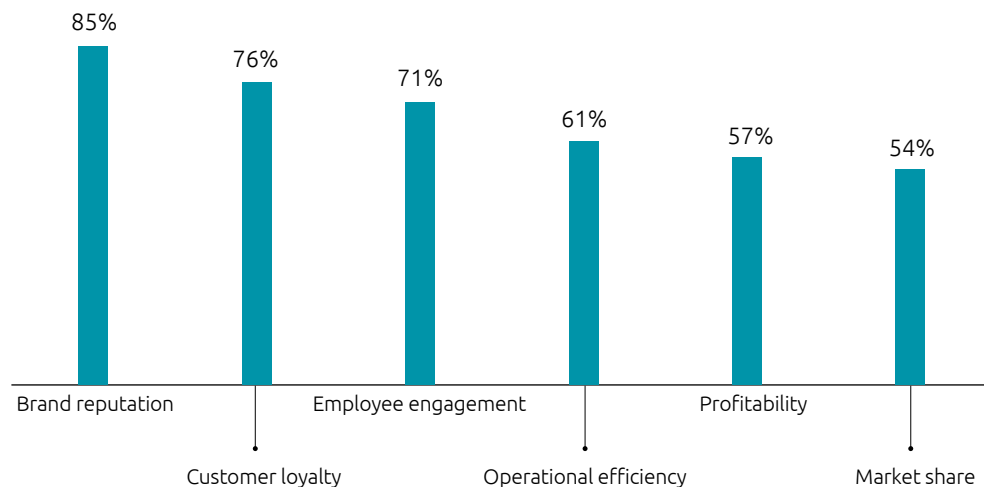
William Rozé

CEO, Capgemini Engineering

| Sustainability continues to enhance brand reputation for organizations

Sustainability initiatives clearly boost employee engagement and customer loyalty

Impact of sustainability across various parameters



Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives

1) Scavify, "25 Most Impactful Employee Engagement Case Studies for 2024"; 2) Buildd, "IKEA Marketing Mastery: 5 Strategies and Key Insights"; 3) CNBC, "Walmart saves \$200 million by changing its light bulbs and \$20 million with a new floor wax", Oct 16, 2018; 4) Bureau Veritas SA, 2024 Earnings Call, Feb 25, 2025

Employee engagement

Unilever implemented the 'Sustainable Living Plan', which aims to halve the environmental impact of its products by 2030. This initiative has boosted employee engagement by aligning the company's goals with the personal values of its employees.¹

Brand reputation

IKEA's "People & Planet Positive" strategy involves using renewable and recycled materials, aiming for 100% renewable energy in production, enhancing its brand image as a responsible company.²

Operational efficiency

Walmart switched to LED lights in its parking lots and helped cut annual energy costs by \$200 million. A change in the floor wax also cut costs by \$20 million a year, because the floors need to be buffed less often.³

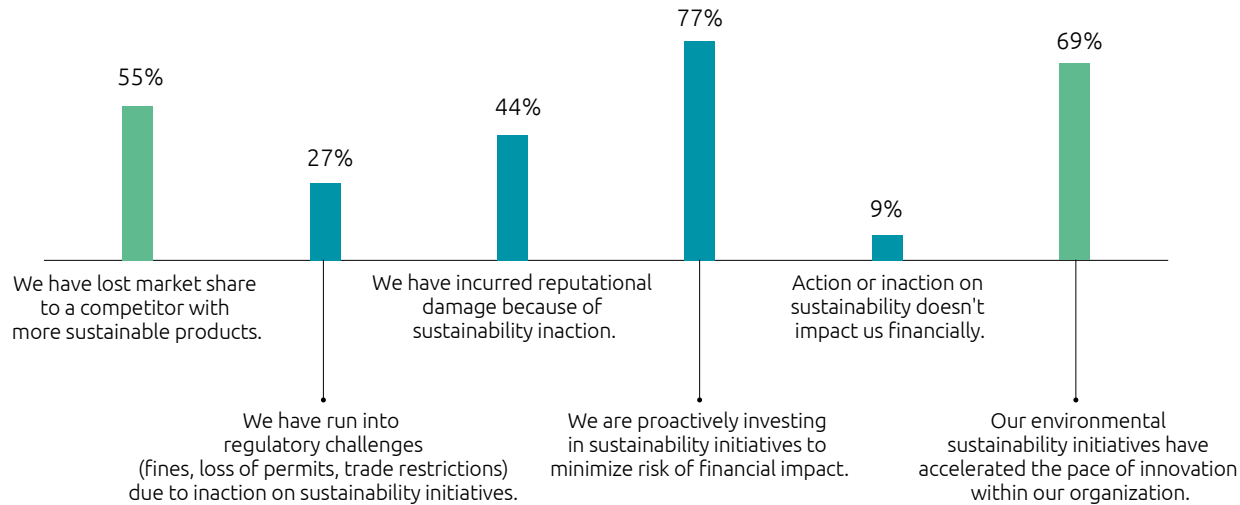
For transition services, while the regulatory landscape continues to evolve, customers are still approaching ESG imperatives as a matter of risk management where they must protect their brand, their reputation and their competitiveness."

– Hinda Gharbi, CEO of Bureau Veritas SA, February 2025⁴

| Sustainability is a key driver of innovation and competitive advantage

Organizations acknowledge the impact of sustainability on their performance

Percentage of organizations who agree with the below statements



In a world shaped by dynamic macro-forces—climate change, resource scarcity, and shifting consumer expectations—sustainability is no longer optional. It is the new frontier for innovation, where businesses must rethink their processes and products to remain competitive.

More than half of the organizations surveyed say that sustainability initiatives have impacted their profitability and market share

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives

| Sustainability is a powerful catalyst for innovation

Organizations are encouraged to rethink their processes, products and services

Sustainable agriculture machinery

John Deere makes precision agriculture machinery that supports farmers in being more sustainable by using GPS and satellite positioning

Carbon capture and storage

Shell works on carbon capture and storage technologies that capture, transport and store CO₂ underground, preventing its release into the atmosphere

Renewable energy technologies

NextEra Energy provides renewable energy technologies that harness natural processes to generate energy from renewable sources, such as sunlight, wind, water and biomass

Energy solutions

Siemens provides smart grids and energy management systems that optimise electricity distribution and consumption using data

Sustainable materials

Newlight Technologies developed **AirCarbon**, a PHB, that is made from carbon emissions that would otherwise be released into the air and can have a multitude of uses

Recycling technology

SINGTEX S.Café technology recycles used coffee grounds for diverse textile applications to enhance performance level while also lowering environmental impact

Sustainable agriculture

Sundrop integrates solar power, electricity generation, fresh water conservation, and production, climate control, and hydroponics to enable high yields with consistent quality and deliver a meaningful reduction in fossil fuel and water use through innovative use of renewable energy / low carbon technologies

Recyclable products

Fairphone developed a modular smartphone designed with fair work practices and recycling in mind. A few components include: 100% recycled aluminium, fair materials for battery etc.

Source: [John Deere](#); [Shell](#); [NextEra Energy](#); [Siemens](#); [Newlight Technologies and AirCarbon](#); [S.Café](#); [Sundrop](#); [Fairphone](#)



23%

| of companies believe that climate change is already impacting their business model today*.

***Sustainable Signals - Understanding Corporates' Sustainability Priorities and Challenges**, Morgan Stanley Institute for Sustainable Investing, May 2024



03

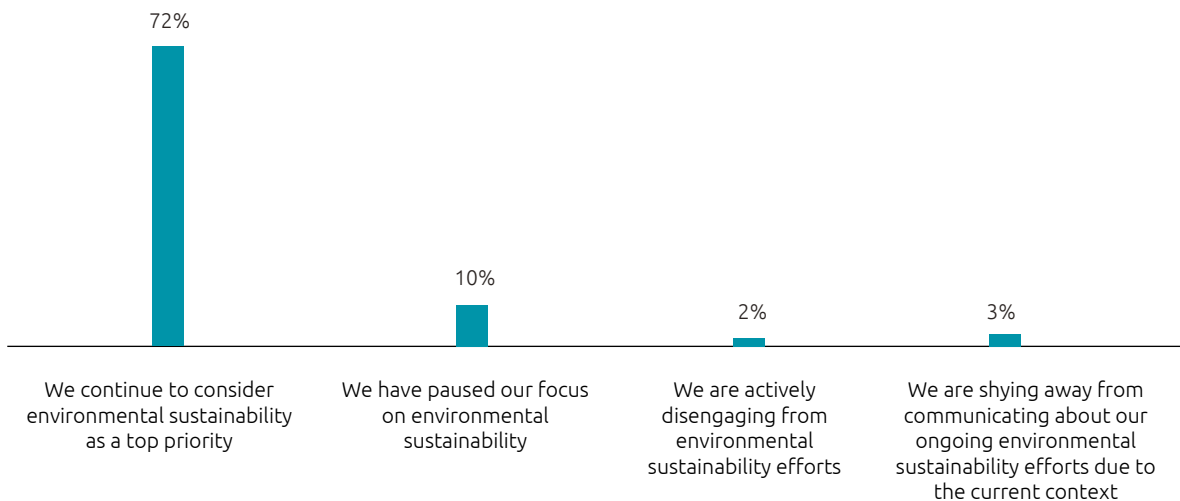
**Sustainability
remains a top
priority attracting
strong investments**



Organizations are maintaining momentum on environmental sustainability initiatives

Most organizations continue prioritizing sustainability

% of executives who agree with the statements



Bloomberg reported that on average, companies are talking about the environment 76% less than they were three years ago.¹ But that is not impacting organizations in prioritizing sustainability initiatives.



We are largely on track for delivery of our 6 priority ESG commitments. We continue to make good progress on all 6 of these priority areas. We are planning to take a midpoint review against the 2030 targets that are planned for 2025 to ensure that we remain aligned and relevant to our longer-term strategy."

– Michael John Fraser, CEO & Executive Director, Gold Fields Limited, February 2025²

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives

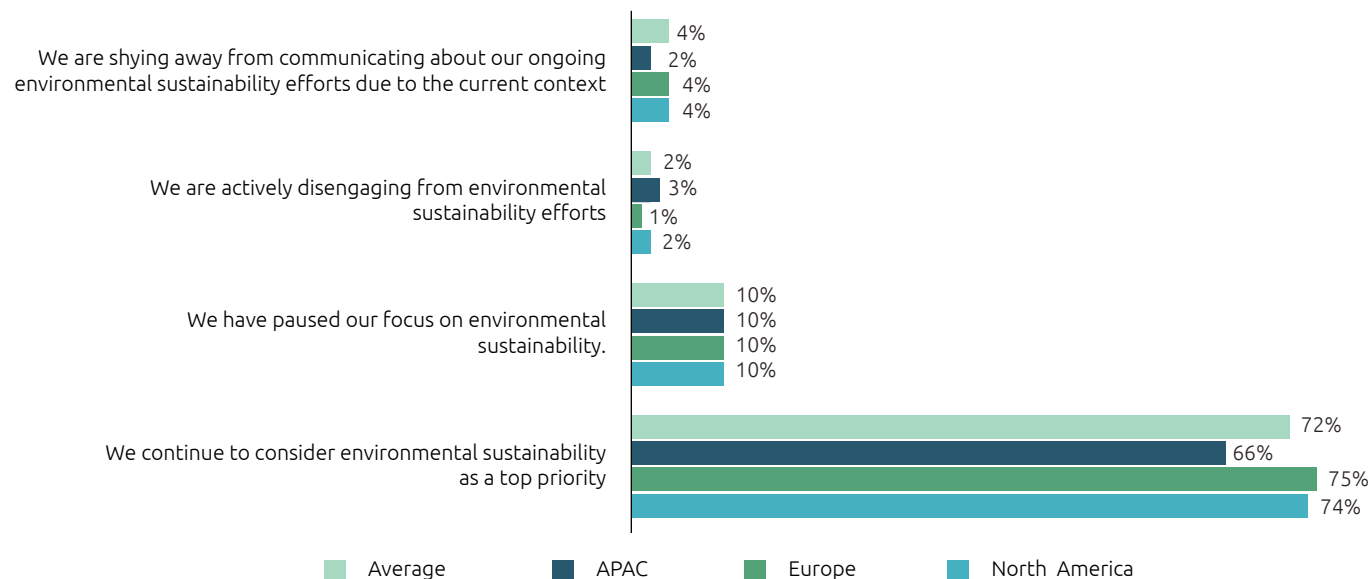
1) Bloomberg, "Climate Talks on S&P 500 Earnings Calls Drops by Three-Quarters", March 2025

2) Gold Fields Limited, 2024 Earnings Call, February 20, 2025

I Most organizations continue to focus on environmental sustainability

Environmental sustainability is a top priority for most organizations across geographies

% of executives who agree with the statements



At a country level, this becomes stronger for

91% | India

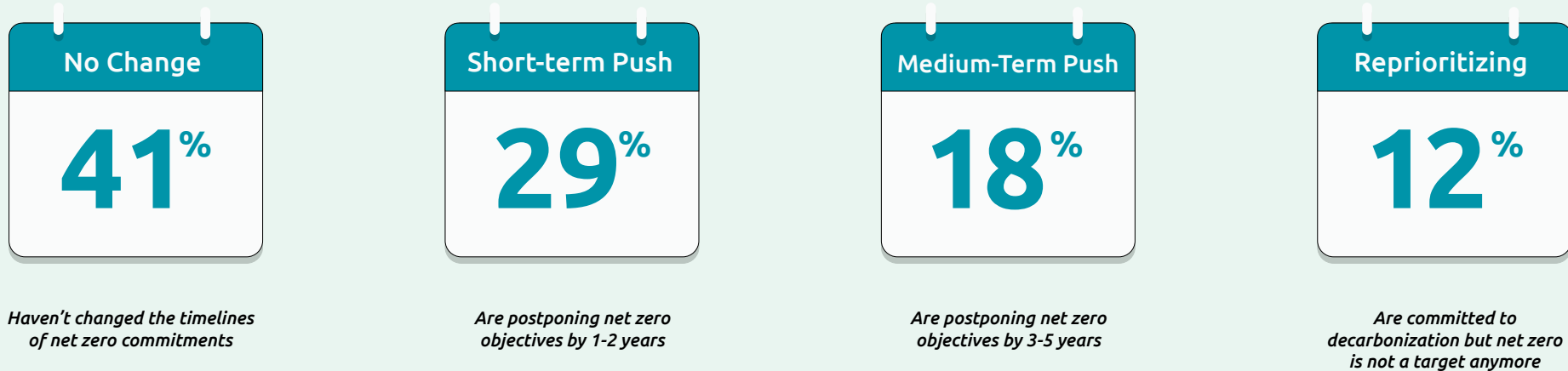
followed by

89% | United Kingdom

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives

| Only a small percentage of organizations have abandoned net zero targets

Organizations still have concrete net-zero commitments

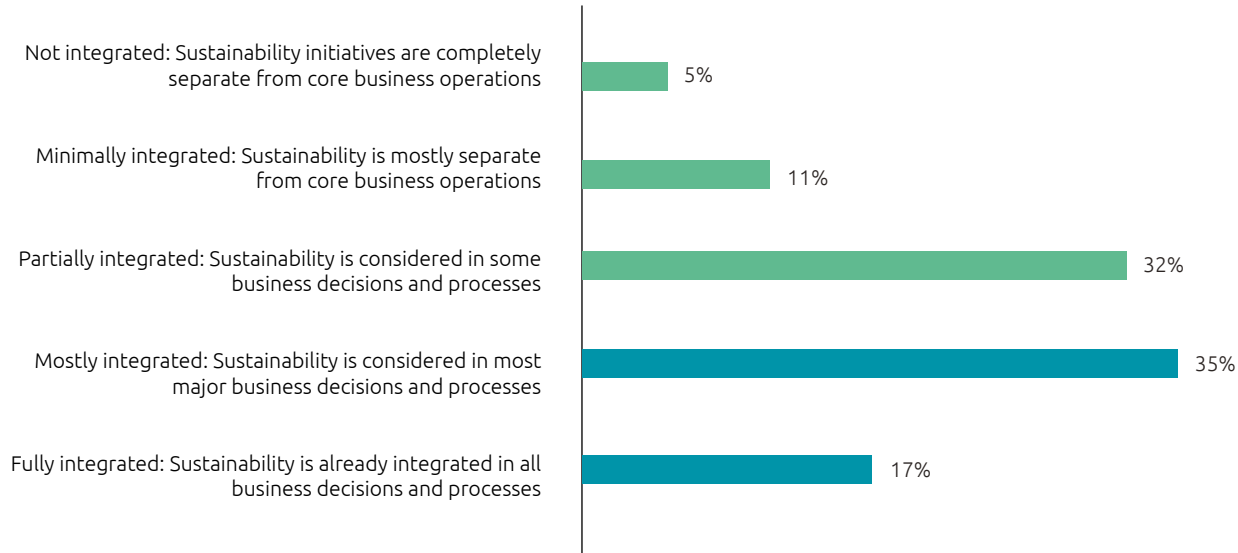


Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives

| Sustainability is now embedded across organizations

Over half of the organizations have largely¹ integrated sustainability in their business processes

% of organizations that have integrated sustainability into its practices



Sustainability is not just about reducing harm; it's about creating value. From waste reduction to energy efficiency, organizations are discovering that greener practices generate savings, enhance brand loyalty, and fuel growth.

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives ; 1- Fully Integrated + Mostly Integrated



"Sustainability has been, continues to be, and will be a top priority for organizations, not just because it is the responsible thing to do, but because there is real business value to being sustainable."

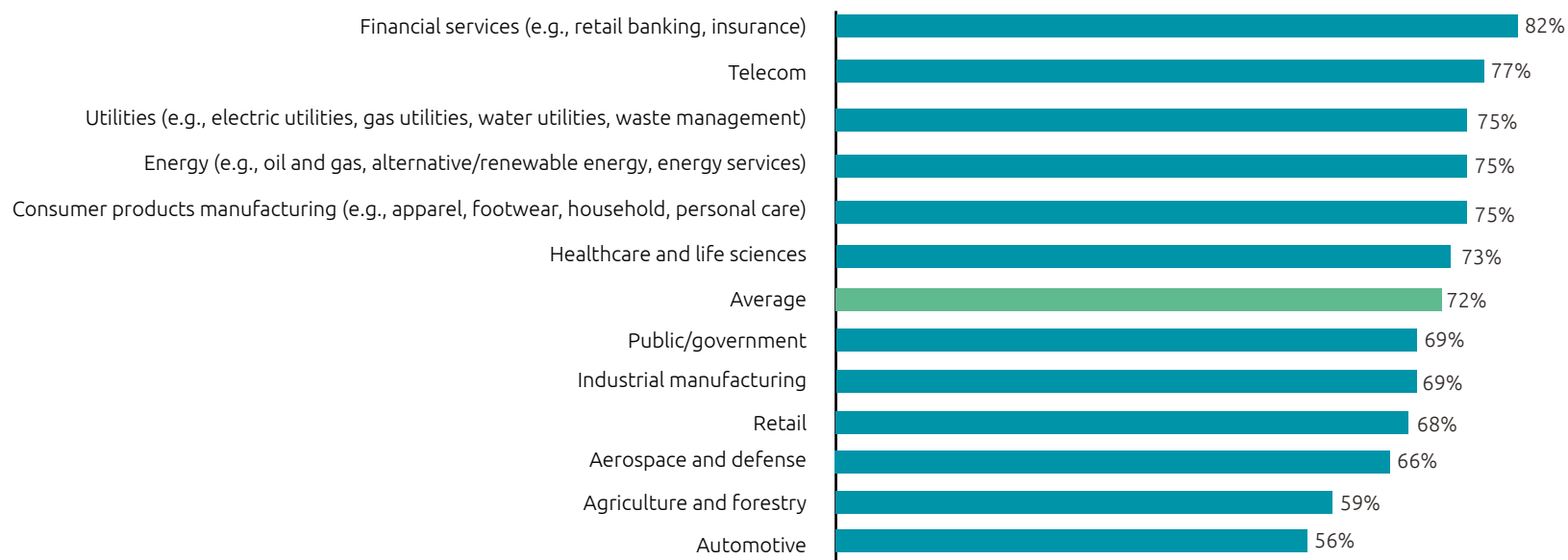
Marie-Neige Couriaut

Executive Vice President,
Sustainability Accelerator, Capgemini

| Support for environmental sustainability is industry-agnostic

Most financial service firms continue to consider environmental sustainability as a top priority

% of organizations across industries who continue to consider environmental sustainability as a top priority



Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives

Global organizations continue to remain committed to environmental sustainability

Organizations prioritize sustainability and are accelerating their investments

Companies that invest in addressing climate change will see benefits across the board. Not only is it essential for the environment, but it also delivers value to investors, customers and the companies themselves.

– David Gitlin, Chairman and CEO of Carrier, September 2024

The biggest impact we can make is through a transition to an all-electric future. That said, other initiatives are also important, including supply chain, logistics, and Scope 1 and 2. We also consider priorities such as saving water and eliminating waste from a financial perspective. However, just as in school, you can't ignore any subject – you just might have to put more effort into some areas than others.

– Kristen Siemen, Chief Sustainability Officer at General Motors, July 2024

Our focus on sustainability and impact helps protect and grow our financial strength and ensures Northwestern Mutual is well positioned to grow policy unit value and serve future generations.

– Tim Gerend, CEO, Northwestern Mutual, April 2025

Source: Capgemini Research Institute interview with Kristen Siemen, July 2024; Carrier, “Carrier Survey: U.S. Executives Prioritize Sustainability for 2025, with Building Decarbonization Leading the Way”, September 2024; Northwestern Mutual YouTube Channel, April 2025

| Organizations poured investment into sustainability in 2024

Organizations are not slowing down on environmental sustainability initiatives

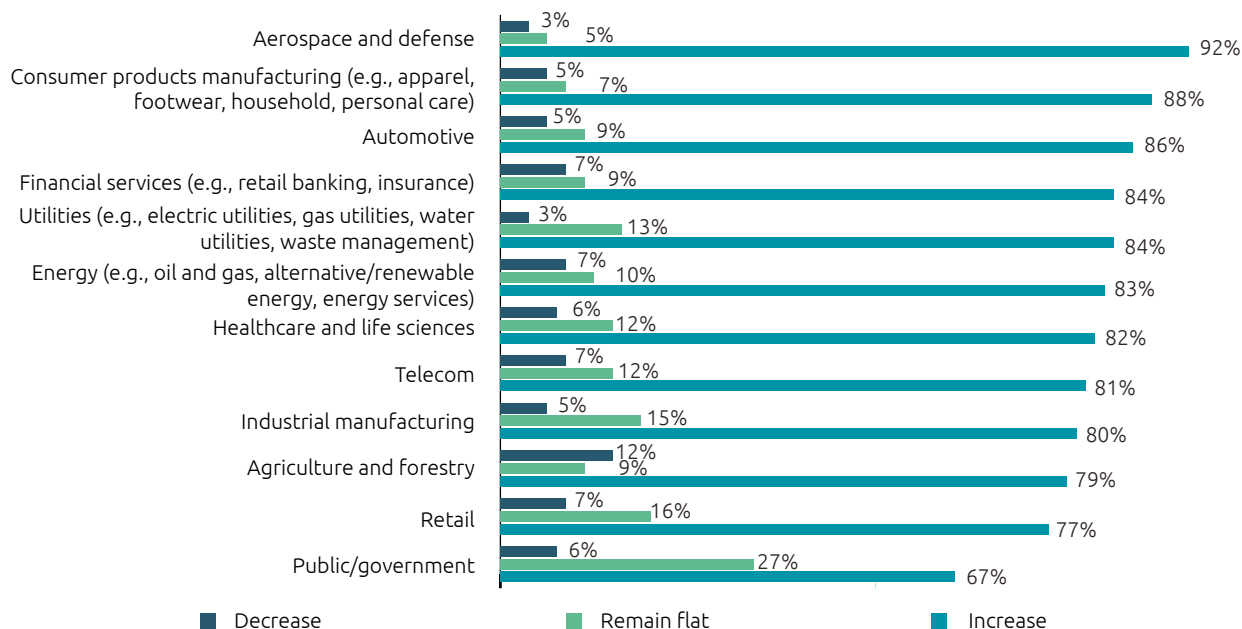
Investments	Description
€1.5 billion	Ingka Group , the largest IKEA retailer, is investing further in its renewable energy transformation. This is in addition to the already committed EUR 7.5 billion for offsite renewable energy production and technologies .
\$400 million	PepsiCo invested in new factories in Vietnam and it plans to source ingredients through regenerative agriculture and digital technology , to enhance crop yields while reducing carbon emissions and improving soil health
€55 million €32 million*	Bosch Ventures, the corporate venture capital unit of the Bosch Group, announced two significant investments in the battery recycling sector , marking a significant step towards sustainable technology development

Source: [IKEA's investment](#); [PepsiCo](#); [Bosch](#) *1USD= €0.88

Most industries plan to increase investment in sustainability significantly in 2025

Organizations will continue to invest in sustainability in 2025

Sustainability investments changes in 2025 across industries



"As we look ahead to 2025, our focus is on building upon our success in 2024. Our priorities include further improving operational efficiency in our core collection and disposal business and maximizing growth opportunities from acquisitions and sustainability investments."

– **Edward A. Egl, Director of Investor Relations at Waste Management Inc., January 2025¹**



"We continue to invest through the cycle, more than EUR 900 million of capital expenditure in the year. This investment represents our continued investment into the major expansionary projects alongside investing to improve efficiency, reduce environmental impacts and increase energy self-sufficiency."

– **Andrew Charles Wallis King, Mondi plc, February 2025²**

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives

1) Waste Management, Inc., Q4 2024 Earnings Call, Jan 30, 2025 | 2) Mondi plc, 2024 Earnings Call, Feb 20, 2025



"Sustainability initiatives are now a strategic imperative for large organizations, driving cost savings, business growth, and innovation. They are key to creating business value and gaining a competitive edge."

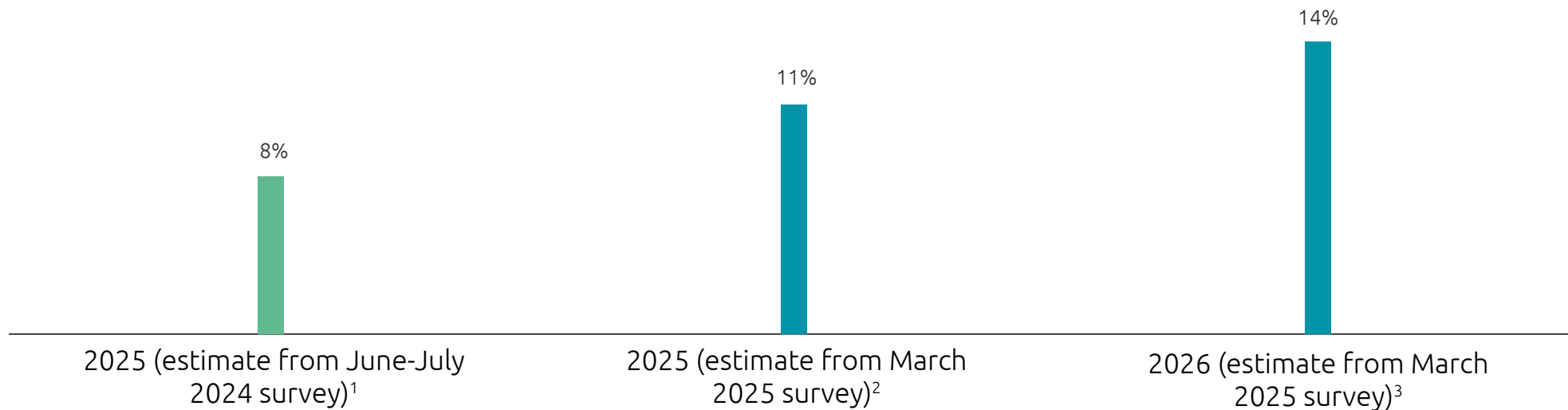
Vincent Charpiot

Head of Group Sustainability Accelerator,
Capgemini

More organizations have planned on increasing sustainability investments in 2025

The momentum continues growing with 98% of organizations increasing their sustainability investments in 2026

Increase of sustainability investments in 2025 and 2026



This chart shows the weighted average of increase in sustainability investments. The chart compares the increase as estimated in our “A world in balance 2024- Accelerating sustainability amidst geopolitical challenges” report and our current survey.

Source: 1)Capgemini Research Institute, Sustainability transformation trends survey, June–July 2024, N = 2,152 executives, where 1363 organizations would have increased their sustainability investments in the next 12-18 months

2) Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives, where 819 organizations would increase sustainability investments in 2025

3)Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives, where 984 organizations would increase sustainability investments in 2026



"Investing in climate tech drives business growth and meets rising energy demands but also champions a sustainable future for our planet. It's a triple win for profitability, energy security, and environmental stewardship."

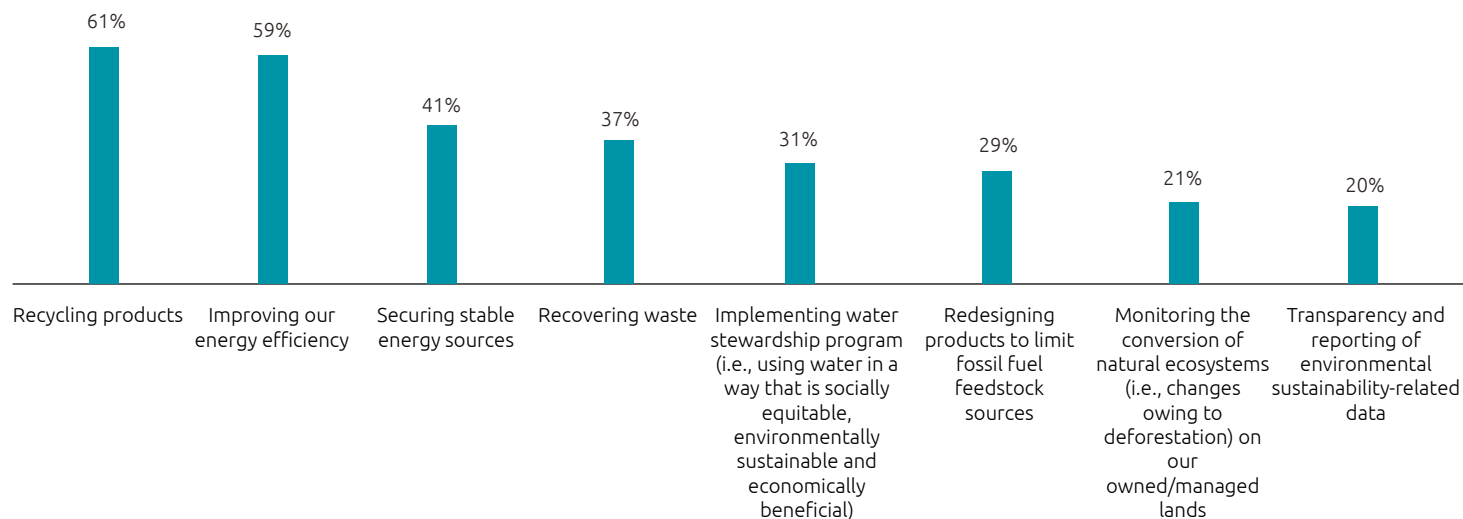
Karine Brunet

CEO, Cloud and Infrastructure
Services, Capgemini

| Organizations are prioritizing recycling as a key component of sustainability

Sustainability priorities for 2025 and 2026

Areas ranked in top three for 2025 and 2026



Despite the tight supply environment, we increased our sales of recycled metals in fiscal '24 compared to fiscal '23. Our focus on commercial initiatives to increase our organic ferrous and nonferrous volumes gives us the opportunity to create operating leverage using the 1 million tons of capacity that we currently have available."

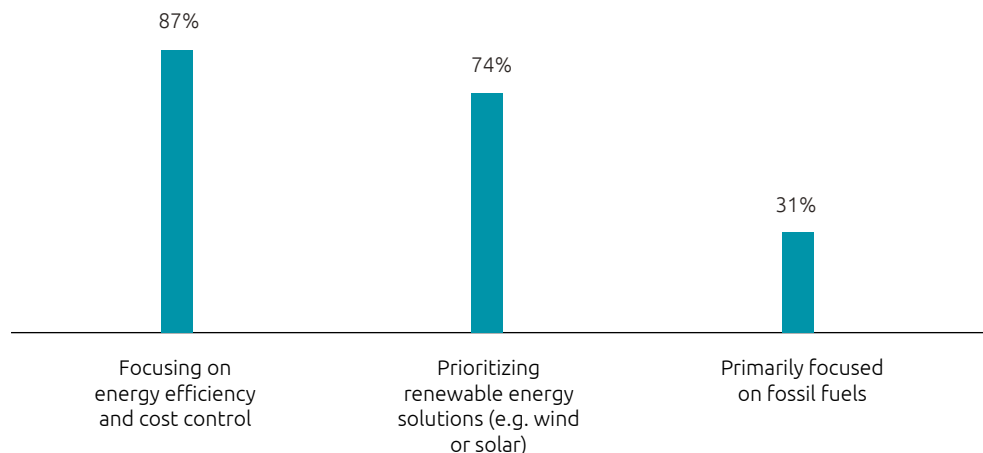
– Michael Bennett, VP of Investor Relations, Radius Recycling, October 2024

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives;
Radius Recycling, Inc., Q4 2024 Earnings Call, Oct 24, 2024

Most organizations are focused on energy efficiency and cost control and renewable energy solutions

Less than one-third of organizations will focus on fossil fuels in the long term

Long-term energy strategy of organizations



On the energy transition front, we remain focused on energy efficiency, making significant progress by the close of the third quarter of 2024 with savings of 11.3 petajoules in thermal energy and 2.9 petajoules in electrical energy for a total of 14.2 petajoules since the start of the program in 2018."

– **Ricardo Roa Barragan, CEO at Ecopetrol, November 2024¹**



We're always focused on improvements in energy-efficient computing and all of these different architectures, but there is also a huge focus in cost innovation."

– **Gary E. Dickerson, President, CEO & Executive Director, Applied Materials, November 2024²**

Source: Capgemini Research Institute, Sustainability business value survey, March 2025, N = 1,001 executives;
1) Ecopetrol S.A., Q3 2024 Earnings Call, Nov 14, 2024 2) Applied Materials, Inc., Q1 2025 Earnings Call, Feb 13, 2025



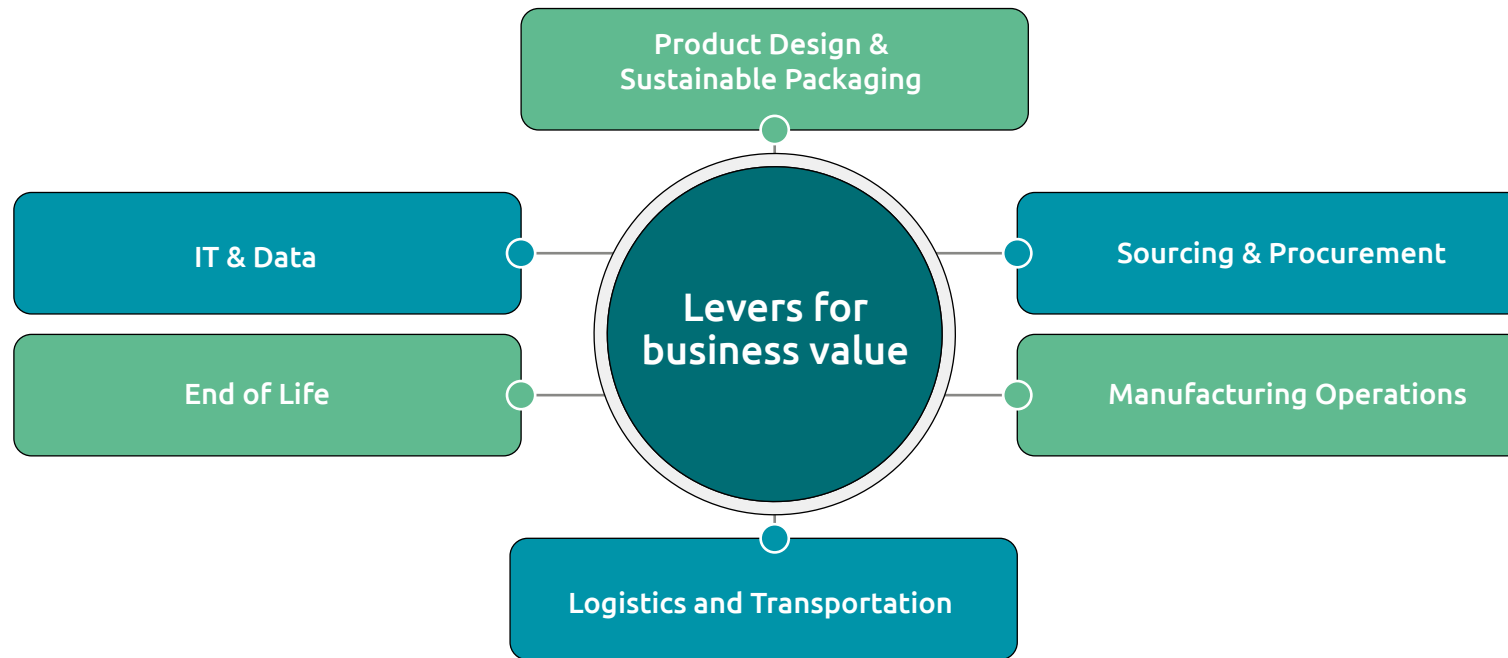
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Maximizing the value of sustainability investments



Organizations need to take advantage of the various levers that drive business value

Levers for driving business value in large organizations



Effectively leveraging sustainability initiatives across the value chain can drive strong business value

Expected profitability: +4 to 6% Growth, +2 to +4 pts EBITDA ¹				
Product & packaging design	Sourcing & procurement	Manufacturing operations	Logistics & transportation	End of life (consumption & recycling)
Sustainable packaging 40% cost reduction from packaging optimization ² 20-30% lower cost of packaging from reused material ³ Sustainable product design Up 60% energy reduction through streamlined process ⁴	Sustainable procurement 9% to 16% cost reduction through sustainable procurement practices ⁵ Sustainable sourcing 10% to 15% material cost through sustainable & 2nd sources alternatives ⁶	Process optimization -10 to -20% operational cost ⁷ -20 to -30% working capital ⁷ Material & resources optimization 20% cost reduction through reduced need for raw material and reduced waste disposals ⁸	Green logistics 30% fuel cost reduction through use of hybrid or electric trucks compared to diesel trucks ⁹ Advanced traceability 15% to 20% operational cost 5% to 10% transportation ¹⁰	Recycle & reuse Up to 40% input cost reduction through remanufacturing ¹¹
<i>Stellantis saved 22.4M€ of transport cost increasing the number of parts per packaging, redesigning packaging & eliminated unnecessary layouts.</i>	<i>£1M of savings in 1st year for a bank through the implementation of a Responsible Sourcing Framework that encompasses ethical and environmental factors.</i>	<i>2M€ of potential savings for a Life science manufacturer through the optimization of its energy consumption for water, natural gas, electricity, waste management and CO2 emission.</i>	<i>14% cost reduction for a Medical Company and 46% emission reduction through the development of a medical delivery drone.</i>	<i>Carrefour saved 20% waste cost through data-driven and machine-learning pricing solution that optimizes markdowns and reduces food waste.</i>
IT & data		Labour policy		
12% cost savings through sustainable IT initiatives ¹² BNP Paribas achieved 40% cost reduction moving to a solution cloud native platform allowing to extract and process ESG data coming from multiple data sources.		50-200% of annual salary saved per employee (lower employee turnover costs) ¹³ Caterpillar reduced the number of accidents by 80% since the creation of its vision and concept for a safe work environment in 2003.		

Sources : Refer Appendix- [References](#)

Sustainable product design and packaging significantly reduces material costs and wastage

Lever	Description	Business value
Packaging optimization (weight & size reduction)	Improve packaging via: <ul style="list-style-type: none"> • Plastic / aluminum reduction • Filling rate optimization • Recyclable materials use • Weight reduction 	<ul style="list-style-type: none"> • Up to 40% cost reduction
Reusable packaging (recyclability & circularity)	<ul style="list-style-type: none"> • Reusable packaging strategy and operations 	<ul style="list-style-type: none"> • -20% to -30% packaging cost • (packaging material tracking, inventory management, overstock reduction)
Product design Weight reduction	<ul style="list-style-type: none"> • Design products with lighter or smaller materials to reduce its weight 	<ul style="list-style-type: none"> • Material cost savings • More convenient for the customer
Product design Design optimization	<ul style="list-style-type: none"> • Design products with lower energy and material requirements across the manufacturing process and during customer use 	<ul style="list-style-type: none"> • Lower energy consumption and material cost • Positive impact on the brand value
Product design Recyclability & circularity	<ul style="list-style-type: none"> • Design product so that it can be recycled or returned and reused 	<ul style="list-style-type: none"> • Lower energy consumption and material cost • Less waste and positive impact on the brand value

Local sourcing and supplier auditing enhances resilience and reduces transportation costs

Lever	Description	Business value
Sustainable, “second source” alternatives	<ul style="list-style-type: none">• Use recycled raw material, components• Source non-hazardous, organic materials	<ul style="list-style-type: none">• 10-15% lower cost• Revenue uplift and improved brand image
Establish supplier auditing and control	<ul style="list-style-type: none">• Implement a comprehensive auditing system for suppliers and constantly measure their performance against sustainability indicators	<ul style="list-style-type: none">• Lower auditing cost (buying certified products is cheaper than controlling all suppliers by yourself)
Source from more local suppliers	<ul style="list-style-type: none">• Source raw materials or products from local suppliers for the domestic market	<ul style="list-style-type: none">• Lower transportation cost
Source from sustainable suppliers	<ul style="list-style-type: none">• Define guiding principles for supplier selection to increase ethical and “green” suppliers in supplier base	<ul style="list-style-type: none">• Positive impact on brand value

Streamlining processes and efficiently managing resources saves costs in manufacturing operations

Lever	Description	Business value
Process optimization	<ul style="list-style-type: none"> Optimize end to end supply chain activities 	<ul style="list-style-type: none"> -20 to 30% working capital from streamline processes Energy consumption & utility cost reduction
Digital twins	<ul style="list-style-type: none"> Use a digital twin to provide a detailed simulation to optimize product development without impacting production line 	<ul style="list-style-type: none"> -50% in prototyping costs -54% in automotive manufacturing cost
Circularity & reuse of materials	<ul style="list-style-type: none"> Raw Material Re Use 	<ul style="list-style-type: none"> Up to 20% of raw material cost reduction
Water efficiency / rainwater	<ul style="list-style-type: none"> Water reuse to limit withdrawal (water factory loop) Water reduction consumption Water withdrawal reduction 	<ul style="list-style-type: none"> -\$0.50 to \$2.50 per m3 on water treatment cost
Energy consumption reduction	Track & optimize energy use via <ul style="list-style-type: none"> Central Monitoring System (Energy Command Center) 	<ul style="list-style-type: none"> -20 to -30% of energy consumption 20% reduction in maintenance costs
Waste reduction	Reduce waste via: <ul style="list-style-type: none"> Dynamic pricing / Sustainable promotion / Loyalty rewards Product re-use 	<ul style="list-style-type: none"> -20 to -30% on waste cost management
Traceability & visibility	<ul style="list-style-type: none"> Track product origin, quality, safety, durability, reliability as well as authenticity 	<ul style="list-style-type: none"> Reduced regulatory and nonconformity costs (10-30%) through accurate insight in product traceability

Optimizing the mode mix and load can significantly improve cost efficiency for logistics and transportation

Lever	Description	Business value
Efficiency improvement	<ul style="list-style-type: none">• Efficient vehicle design, tires, optimization	<ul style="list-style-type: none">• 2-5% lower supply chain cost due to 25-50% fuel savings
Electrification	<ul style="list-style-type: none">• Electrification of fleets to ensure zero tailpipe emissions	<ul style="list-style-type: none">• Up to 50% of the total cost of ownership compared to diesel trucks over a 10-year period
Advanced fuels	<ul style="list-style-type: none">• Switching to advanced fuels, alternative fuels and reduce GHG emissions and fuels cost	<ul style="list-style-type: none">• 0.5-1.5% lower supply chain cost by benefitting from lower price of gas based or bio-fuels
Routing optimization Network optimization	<ul style="list-style-type: none">• Optimized network to reduce distance traveled• Reduce distance traveled and empty backhauls with dynamic route optimization	<ul style="list-style-type: none">• Lower transportation cost
Load optimization	<ul style="list-style-type: none">• Improved utilization with load optimization and planning	<ul style="list-style-type: none">• 1.0 to 1.5% supply chain cost through higher truck utilization
Mode mix / modal shift	<ul style="list-style-type: none">• Utilizing higher-efficiency modes such as shipping and rail	<ul style="list-style-type: none">• 0.2-0.7% supply chain cost reduction• 15-20% freight savings on addressable lanes

Implementing reverse logistics and recycling reduces disposal costs and minimize losses from returns

Lever	Description	Business value
Sensitize consumer on conscious choice	<ul style="list-style-type: none"> Educate consumers about the benefits of sustainable products 	<ul style="list-style-type: none"> Reduced demand for resources intensive products leading to lower production cost Lower disposal and waste cost Enhanced brand loyalty
Consumable & waste reduction	<ul style="list-style-type: none"> Educate and facilitate customer to reduce waste Enhance customer to buy products closed to their use-by date 	<ul style="list-style-type: none"> Lower Raw Material Costs Lower waste cost
Sustainable customer returns (reverse logistic)	<ul style="list-style-type: none"> Collect, sort, refurbish, recycle or dispose the returned products. 	Efficient reverse logistic systems: <ul style="list-style-type: none"> Lower transportation cost of returned products Reduced inventory cost Minimizes losses from returns
Recycle materials / unsold product / packaging	<ul style="list-style-type: none"> Recycling of used products 	<ul style="list-style-type: none"> Reduction of raw material cost and energy cost Reduction of disposal cost
Reuse materials	<ul style="list-style-type: none"> Use recycled materials or components as input for production or re-use whole product through, for example, refurbishments 	<ul style="list-style-type: none"> Reduction of input cost of 30-40% Reduction of 85% energy use Positive impact on brand image and brand uplift

Extending the lifespan of equipment and migrating to the cloud saves costs in IT infrastructure

Lever	Description	Business value
Less consuming IT equipment	<ul style="list-style-type: none"> Streamline the use of equipment 	<ul style="list-style-type: none"> 14% of cost savings enabled by the auto switch off hardware features
Optimizing data centers	<ul style="list-style-type: none"> Optimize data storage and hosting 	<ul style="list-style-type: none"> -10% to 20% of data center budget through consolidation efforts (reducing data storage cost and energy consumption, resize equipment)
Migration to cloud	<ul style="list-style-type: none"> Switch to a green cloud architecture and framework 	<ul style="list-style-type: none"> 19% cost savings
Extend lifespan IT equipment	<ul style="list-style-type: none"> Extend Hardware lifespan through reuse, reconditioning and recycling initiatives 	<ul style="list-style-type: none"> Up to 40% cost savings through laptop lifespan extension
Streamline application portfolio	<ul style="list-style-type: none"> Central Monitoring System (Energy Command Center) 	<ul style="list-style-type: none"> 11% IT cost reduction through application rationalization (reduced licensing cost, maintenance & support cost, training & onboarding cost, infrastructure cost)
Eco design applications	<ul style="list-style-type: none"> Integrate environmental aspects from the design phase of a web/mobile application and throughout its life cycle 	<ul style="list-style-type: none"> Lower cost hosting Lower development & maintenance costs
IA for sustainable IT	<ul style="list-style-type: none"> Develop IA use cases to optimize energy consumption of IT delivered services and infrastructure 	<ul style="list-style-type: none"> 9% of cost savings by using AI/ML to optimize data center utilization



05

Appendix



We conducted a multi-sector survey of 1,000 executives from large organizations around the world

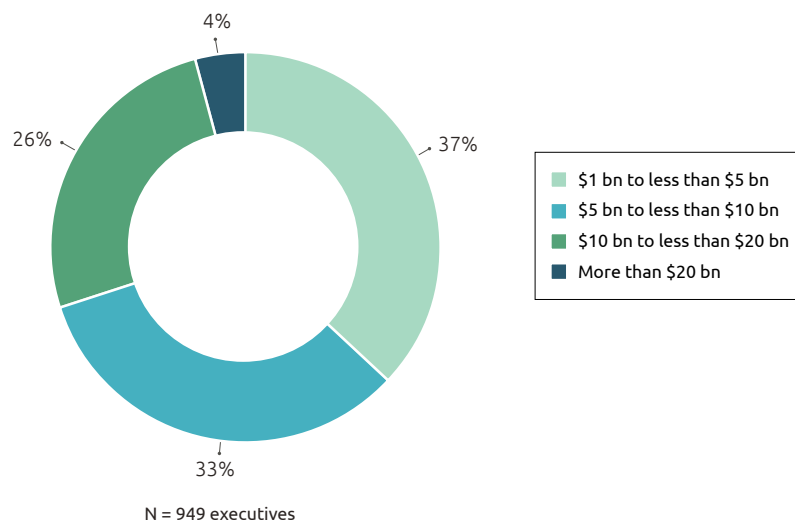
A global survey of **1,001 senior executives** from **13 countries** across North America, Europe, and Asia-Pacific and **12 industries**.

This survey helps to understand the business value potential of sustainability initiatives

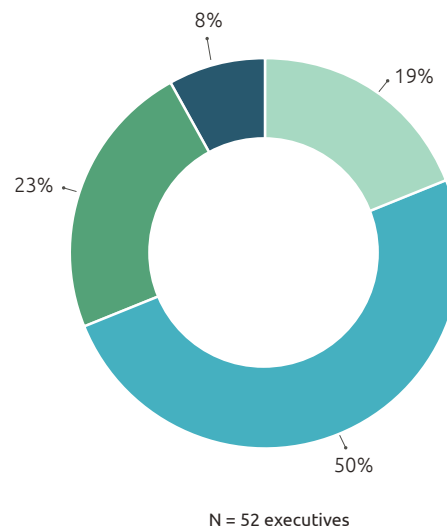
The survey was conducted in **March 2025**

Multiple industry examples across organizations regarding sustainability practices and initiatives included along with quantitative survey figures

% of executives by organization enterprise-level revenue (excluding public/government), in USD



% of executives by organization enterprise-level revenue (public/government), in USD



% of executives by job function



Source: Capgemini Research Institute, Sustainability business value survey, March 2025

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2. Introduction to Capgemini's sustainability & packaging credentials, January 2025
3. World Economic Forum, Beyond Supply Chains Empowering Responsible Value Chains, 2015
4. Capgemini Expert Perspective : [How to use sustainable design strategies to reduce costs across the value chain](#), September 21, 2023
5. Ivalua, [Sustainable Procurement: Sourcing Strategies for a Greener Future](#), October 28, 2024
6. World Economic Forum, Beyond Supply Chains Empowering Responsible Value Chains, 2015
7. Intelligent supply chain for manufacturing and retail industries
8. Ellen MacArthur Foundation ; Key Figure: The Ellen MacArthur Foundation's report indicates that extending the average lifespan of a product by just one-third could lead to a 20% reduction in costs for businesses. This is achieved through reduced need for raw materials and manufacturing, as well as decreased waste disposal expenses.
9. U.S. Department of Energy, "Benefits and Considerations of Electricity as a Vehicle Fuel," ; Key Figure: The use of hybrid or electric vehicles in distribution can reduce maintenance costs by 20-30% compared to traditional diesel trucks.
10. European Environment Agency, "The impact of sustainability on supply chain operations," 2018. ; Key Figure: Green transportation practices such as using telematics and real-time tracking can improve operational efficiency by 15-20%.
11. World Economic Forum, Beyond Supply Chains Empowering Responsible Value Chains, 2015 ; Key figures: Remanufacturing leads to net reduction in input cost of 30-40% and a gross profit increase of up to 50% (factoring in higher labour cost)
12. [Capgemini launches "Sustainable IT" to reduce IT carbon footprint: first offering of Capgemini's end-to-end sustainability framework](#) ; Key Figures: 12% cost savings achieved through sustainable initiatives implementation
13. Mindgoal , The True Cost of Employee Turnover , August 2, 2023 - <https://mindgoal.com/the-true-cost-of-employee-turnover/>

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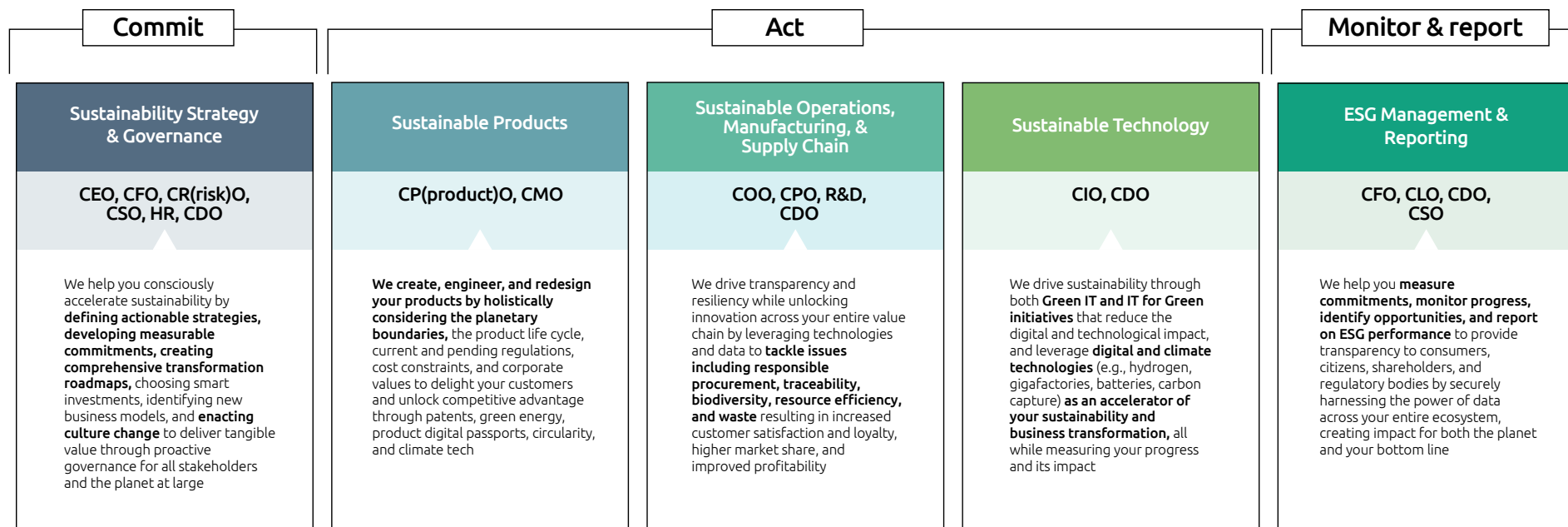
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Social sustainability	A World in Balance - annual sustainability trends research				
	The eco-digital era: The dual transition to a digital and sustainable economy	Sustainable product design	Food waste	Climate tech	Data for net zero
	Biodiversity		Sustainable IT	Green hydrogen	
	Three editions of <i>Conversations for Tomorrow</i> on sustainability, climate tech, and the dual transition		Sustainable operations	Inclusive tech	
	Digital skills and education		Sustainable supply chain*	Generative AI and sustainability	
	Gen Alpha/Z and sustainability*		Gigafactories*	The future of batteries	
				Carbon capture*	
	Sustainability in automotive				
	Sustainable aviation*				

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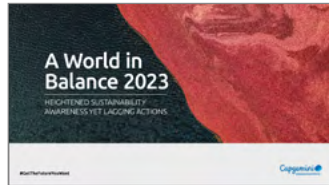
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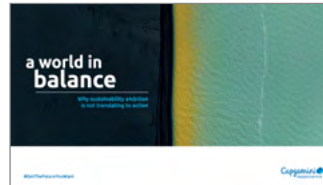
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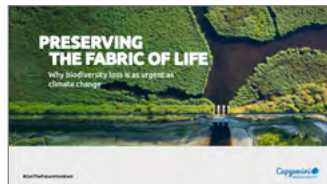
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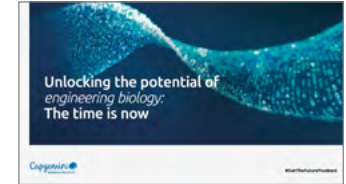
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