4 TIPS ON PLANNING YOUR #NETZERO PLEDGE

In the last year, we have seen a host of major companies from across the globe announce their new commitments on climate action by pledging initiatives to promote clean energy and smart energy use. To achieve the net-zero goal, companies have had to reflect on their current business practices and reimagine a total transformation to their business and energy ecosystems.

So how do these companies stay on track with their sustainability roadmap? How do they build the bridge between rhetoric and action? We asked 4 of our Capgemini Energy and Utilities leaders to provide advice on what companies should consider while navigating their sustainability path:

PURE CLEAN POWER ISN'T A FANTASY

Philippe Vie
Group Vice President
Energy & Utilities

It will happen. It is just a matter of time, being 100% low carbon electricity will take at least 10–20 years for the most engaged states or countries to reach this point and only be possible by solving multiple challenges. The six main ones being:Clean energy capacity for today's demand. By 2050, electricity demand should double due to economic development and electrification. Who will support this investment? How long will it take to build related assets?

1. Clean energy capacity for today's demand. By 2050, electricity demand should double due to economic development and electrification. That means multiply by 10 the investments on Renewables and keep this pace during the 30 coming years. Who will support this investment? How long will it take to build related assets?

2. Public acceptance of solar and onshore wind invasion.

3. Growing Smart Grid at scale. Existing electric grids were built to convey centralized generated electricity to the consumer in a one-way flow.

4. Develop flexibility up to 30% to 50%. In a 100% clean power paradigm, production intermittency must be managed or the real-time load, demand balance will need a significant level of intelligence (smart grid) and flexibility.

5. Conservation. Meeting a growing demand with more intermittent generations mean also developing energy efficiency and adopting energy-savvy consumption patterns.

6. Setting meaningful carbon prices to ensure clean energy competitiveness compared to fossil-fuel electricity generation. Nuclear (decarbonized electricity) can play a major role for the transition to 100% clean power.

We recommend starting the journey to pure clean power immediately. Learn more on how your company can address these challenges here.

SUSTAINABLE IT IS THE BACKBONE OF A GREENER FUTURE

James Forrest
EVP: Global E&U Industry
Leader, Capgemini

Technology leaves an indelible mark on the environment, especially given the digital acceleration triggered by the COVID-19 pandemic. If the IT sector was considered a country, it would rank 3rd in terms of electricity consumption in the world (after China and USA). But if it leads us towards the future we want, it cannot leave too deep a carbon footprint. Many organizations are focusing on their organization's overall sustainability agenda but neglecting the critical issue of sustainable IT. Sustainability must be at the core of a company's efforts to become greener. There are several priorities but as a starting point, they need to:

1. Set the foundations with a qualitative and quantitative diagnostic assessment and a sustainable IT strategy that aligns with the organizational sustainability strategy

2. Create a robust governance approach with a dedicated sustainable IT team and support from the top leadership team

3. Operationalize sustainable IT initiatives, with sustainability a key pillar of software architecture

Read more on the importance of an enterprise IT's role in driving environmental innovations and improvements in sustainability performance here.

DISRUPTION CAN POWER SUSTAINABILITY TRANSFORMATION

Peter King
VP: Global E&U Industry
Leader, Capgemini Invent

At Capgemini Invent, we have identified the six main fields of play needed to turn disruption into opportunity. Through these six fields, we help our clients to execute the transition, enhance sustainable transformation, and concretely realize the ambitions of their sustainable business vision.

1. Define/ Assert the strategy and transformation plan – a comprehensive investment plan is needed to support your drive to Net Zero. This requires a multi-year horizon and right to left assumption making – for example. There will be millions of electric vehicles, so we should build networks and charging infrastructure and the sequencing of the build is not so important.

2. Engage Stakeholders – particularly around the costs and investment required. Government and regulators have a key role in financing the transition to Net Zero and they need confidence in the plans to get there, so early engagement is essential.

3. Establish responsible operation and processes – every unnecessary journey, extra piece of packaging, pollution incident needs to be eliminated. There is nothing new here that Lean hasn't been teaching us for many years, but this requires a new level of rigor and focus.

4. Create new products and services – innovation is an overused term. The winners in the Net Zero race will be those organizations that bring new energy services to the market and commercialize them. This is the time to be experimenting with them and developing your understanding of where the value lies.

5. Adopt Green IT responses – your databases and applications create more CO_2 than you might expect and are far higher on your list of emissions than you would want. Accelerate the digital transformation of your business and measure the contribution this makes to your net zero ambition.

6. Address the challenge of measurement – we should be gathering and using emissions data in the same way that we use financial information. This should inform decision making and be a core part of your business cases.

Read more on these six fields in our Sustainability Evolution report.

BUILD A
SUSTAINABLE CULTURE

Elfije Lemaitre
EVP: NA E&U Industry Leader

Another key part in creating a successful sustainable digital transformation is the human component, are your leaders and employees ready to go through and invest in a sustainable future? If your company wants to truly transform and scale, you must ensure you have the right governances, the right sponsorship in place, and continual encouragement of the right kind of culture to go through that journey. It is also important to ensure you're conveying this culture by establishing clear solutions to your consumers so they can be more vocal and enthusiastic about your sustainability initiatives. Most people understand that climate change is a reality but are not clear on what action they should take and how it will make a difference. Learn more here on how to build a sustainable future that create innovative ways to make a positive impact on the world, build competitive advantage and strengthen your organizational resilience.

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About Capgemini

Capgemini is a global leader in partnering with companies to transform and manage their business by harnessing the power of technology. The Group is guided everyday by its purpose of unleashing human energy through technology for an inclusive and sustainable future. It is a responsible and diverse organization of 270,000 team members in nearly 50 countries. With its strong 50 year heritage and deep industry expertise, Capgemini is trusted by its clients to address the entire breadth of their business needs, from strategy and design to operations, fuelled by the fast evolving and innovative world of cloud, data, AI, connectivity, software, digital engineering and platforms. The Group reported in 2020 global revenues of €16 billion.

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