

Hey! What's New? 2024-118

Is This Sustainable? The Intersection of Compliance, Company Strategy

As many sustainability executives prepare for increased regulatory requirements, they also aim to gain a business advantage in the process, a global survey finds. An article about this research in *FM Financial Management*, written by Bryan Strickland, notes that when it comes to sustainability reporting, there's a long way to go and a short time to get there. Progress is being made, however, he adds, and many leaders are prioritizing sustainability initiatives beyond their looming regulatory obligations.

More than 70% of 554 sustainability managers and executives surveyed in the UK, US, France, and Germany reported that their companies will be required to comply with the EU's Corporate Sustainability Reporting Directive (CSRD) within the next three years.

Yet, the research found, even with compliance challenges, more than three-quarters of respondents said they treat sustainability as a means of gaining business advantage in *Sustainability in Action*, a report produced by business and technology transformation company Capgemini Invent and sustainability data management company Sweep.

"Embracing ESG regulations isn't just about compliance; it's about foresight," Aniruddha Guha Biswas, director of sustainable futures for Capgemini Invent India, said in the report. "Viewing regulations through a lens of opportunity rather than as a burden enables companies to innovate, enhance their reputation and drive long-term value."

If leaders could improve their sustainability data management, a survey-high 51% said they would devote more time to driving business-wide collaboration for sustainability initiatives. Even in this relatively early stage of sustainable development, many leaders said that, for their businesses today, sustainability is pivotal as part of company culture (41%) and for business advantage (35%).

That being said, points out Strickland, getting a grip on sustainability data management is a significant challenge on a number of fronts. The survey found that:

- Eighty-one per cent of respondents said their company must transform to survive in the low-carbon economy of the future.
- Forty-five per cent said their C-suite does not understand what is needed to act upon a comprehensive sustainability program.
- Forty-seven per cent said they are frustrated by the complexity of the data they manage.

More than 85% of the sustainability executives said that a digital transformation that includes the use of generative AI is essential to a sustainability transformation. Among those surveyed, 73% are using tracking software while 78% are using spreadsheets.

Read the article at [Is this sustainable? The intersection of compliance, company strategy \(fm-magazine.com\)](#); download the report at [Sustainability in Action - Sweep](#).