Schneider Electric Research Tracks Corporate Energy and Sustainability Progress, Obstacles

- **More than 50 percent of respondents work for companies that have made public commitments to energy, carbon and waste reduction, and are turning words into action**
- **Access to capital is a misleading barrier; getting funds for projects and programs comes down to demonstrated return on investment and executive leadership**
- **Businesses have plenty of data, but source, quality and sharing issues continue to stunt the value of the information**

Davos (Switzerland), January 22, 2019 – Schneider Electric, the global leader in digital transformation of energy management and automation, today released the 2019 Corporate Energy & Sustainability Progress Report, a look at the global trends, barriers and opportunities impacting enterprise energy and carbon-management programs. Although corporate teams responsible for these efforts still struggle with funding and data, the report reveals that a majority of large companies have set public-facing sustainability targets — goals that are driving the adoption of innovative strategies and technologies, and shifting perceptions of the value of conservation and climate action.

The report is based on a survey, completed by GreenBiz Research, of more than 300 global professionals responsible for energy and sustainability at businesses with more than $100 million in annual revenue.

Stepping Up, Leaning In

More corporations see benefit in making a public commitment to energy, carbon and waste reduction, and are instilling change in their organizations, with or without government or regulatory mandates. Nearly 60 percent of the organizations surveyed have goals they've shared with customers, investors and other stakeholders. An additional 9 percent are considering commitments. Related findings include:

- Twenty-eight percent of corporations are specific and ambitious in their goals, joining established initiatives such as RE100, science-based targets and zero waste to landfill.
- Global organizations are leading the change; companies that operate in multiple geographies are nearly 10 percent more likely to make a public commitment than those in one region.
- Europe-based businesses, whether they operate globally or locally, set public goals more often than their North American peers — 65 percent versus 58 percent.
- Companies that have made a public commitment see environmental concerns (59 percent) as the primary driver, above financial considerations (52 percent).
- Companies that have made a public commitment are more likely to implement advanced technology such as on- and offsite renewables, battery storage and electric vehicles.

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“Now more than ever, business leaders realize they need to take the reins and dictate their role in an evolving energy landscape and environment,” said Jean-Pascal Tricoire, Chairman and CEO of Schneider Electric. *“Being a passive consumer is a competitive and operational disadvantage. So regardless of regulation or mandates, companies are aggressively adopting strategies to cut emissions, increase efficiency, and put energy to work for the planet and their bottom line.”*

New Opportunities, New Barriers

The research also reveals corporations are looking beyond traditional conservation measures. Energy efficiency initiatives still dominate, but the move toward decarbonization and decentralization continues to spur interest and investment in renewable energy. Fifty-two percent of companies have onsite renewables, 40 percent have contracted for offsite renewables and 34 percent are using energy attribute certificates, such as renewable energy credits or guarantees of origin, to address the carbon footprint of the electricity they buy and consume (a.k.a. scope 2 emissions).

For businesses planning to take these and additional steps, funding has been a perennial obstacle. However, lack of capital may not be as significant a roadblock as many perceive.

Respondents who disagreed that their department has “been successful in securing budget for energy and/or sustainability initiatives” pointed to limited capital as the reason 57 percent of the time. However, survey takers who agreed with that statement report that demonstrated return on investment (ROI) and executive leadership are what contribute most to success. Only 10 percent identified available capital as the primary reason programs are approved and funded.

Additionally, lack of data is no longer seen as a challenge. But unreliable and incomplete data, likely attributed to the source of the information, and ineffective sharing limit ROI. The research shows:

- Companies collect data from almost three different sources on average.
- Utility bills are the most common, followed by energy management systems; however, 52 percent of organizations still use spreadsheets and only 18 percent gather data from IoT devices.
- The most common barriers to using data effectively are unreliable or incomplete data at 48 percent, insufficient tools at 41 percent, and lack of internal expertise at 40 percent.
- Only 22 percent of companies share all energy and sustainability data across departments — 58 percent share some data and 21 percent don’t share data at all.
- Ninety percent of businesses that share data between all departments agree they're able to get funding; and they are more likely to use a diverse portfolio of technologies.

“Information sharing and collaboration are critical to the success of our energy management and sustainability efforts,” said Bill Hoenigmann, Global Category Manager for medical technology leader BD, one of the survey respondents. *“We have a cross-functional team of operations, procurement and sustainability professionals. And we have joint goals and responsibilities for delivering energy savings and tracking carbon-reduction improvement.”*

The Corporate Energy & Sustainability Progress Report was developed to understand how large organizations purchase from utilities, manage demand, use data, and develop and finance enterprise efficiency and carbon-reduction programs. The findings in the report come from a web survey and phone interviews conducted by

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GreenBiz Research. Participants included 299 professionals who oversee procurement, operations and sustainability, from board members to individual contributors. Companies surveyed represent seven industry segments: commercial real estate, education, finance and banking, healthcare and biotech, industry and transportation, retail and hospitality, and technology.

For more information and to download the full report, visit insights.se.com. And for information on energy and sustainability trends and best practices, visit Perspectives or follow @SchneiderESS.

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Schneider Electric is leading the Digital Transformation of Energy Management and Automation in Homes, Buildings, Data Centers, Infrastructure and Industries.

With global presence in over 100 countries, Schneider is the undisputable leader in Power Management – Medium Voltage, Low Voltage and Secure Power, and in Automation Systems. We provide integrated efficiency solutions, combining energy, automation and software.

In our global Ecosystem, we collaborate with the largest Partner, Integrator and Developer Community on our Open Platform to deliver real-time control and operational efficiency.

We believe that great people and partners make Schneider a great company and that our commitment to Innovation, Diversity and Sustainability ensures that Life Is On everywhere, for everyone and at every moment.

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