Capgemini RESEARCH INSTITUTE

A world in balance 2024

Accelerating sustainability amidst geopolitical challenges

Organizations have steadily progressed on sustainability

Since 2022, the sustainability maturity index – a measure of the adoption of sustainability practices by global organizations – increased by 22%

Country*	2022 Base	2023 Index	2024 Index	Sector**	2022 Base	2023 Index	2024 Index
Australia	100	106	120	Aerospace and defense	100	111	113
Canada	100	113	114	Automotive	100	116	121
France	100	95	110	Consumer products manufacturing	100	115	127
Germany	100	99	92	Energy	100	108	118
India	100	124	105	Financial services	100	108	138
Italy	100	100	142	Healthcare and life sciences	100	121	133
Japan	100	99	124	Industrial manufacturing	100	116	116
The Netherlands	100	120	137	Public/government	100	119	123
Spain	100	95	125	Retail	100	105	128
Sweden	100	119	120	Telecom	100	110	115
UK	100	111	118	Utilities	100	103	108
US	100	109	114				
Global average					100	112	122

Source: Capgemini Research Institute, Sustainability transformation trends survey, August–September 2022, N = 2,004 executives; August–September 2023, N = 2,001 executives; June–July 2024, N = 1,859 executives.

For a growing number of organizations, circularity is a key focus

1. 75% of executives say their organization actively works to recover waste, up from 54% in 2022
2. 72% say that recycling products is a core aspect of their manufacturing strategy, up from 53% in 2022

Sustainable design capabilities have grown steadily

1. 71% of executives say their organization has employees with eco-design and sustainable design skills, up from 51% in 2022
2. 69% redesign products to remove fossil fuel feedstock sources, up from 47% in 2022

Measurement and data sharing have seen an uptick

1. 71% of executives say their organization measures the industrial process energy consumption, up from 43% in 2022
2. 68% share sustainability data across the organization, up from 43% in 2022

Water is a focus for an increasing number of organizations

1. 75% of executives say their organization has implemented a water stewardship program, up from 55% in 2022

Biodiversity gains traction

1. 66% of executives say their organization has invested in conserving natural habitats, up from 43% in 2022

Organizations are moving forward with social sustainability initiatives

1. 61% of executives say their organization uses third parties to disclose its social impact, up from 49% in 2023
2. 54% make products/services affordable to local communities, up from 40% in 2023

Continued progress on sustainability skilling

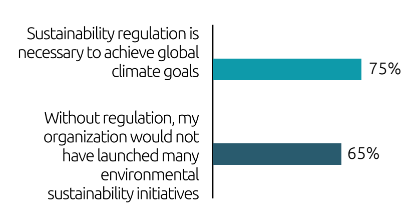
1. 74% of executives say their organization trains employees to adopt sustainable practices in-office, up from 50% in 2022
2. 73% train employees on the importance of sustaining the environment, up from 52% in 2022

Regulation has been – and will continue to be – a key sustainability driver

Executives believe regulation guides the path to global climate goals

1. 69% of executives say that anticipating or pre-empting stricter future regulations is a key driver of sustainability initiatives, up from 57% in 2023

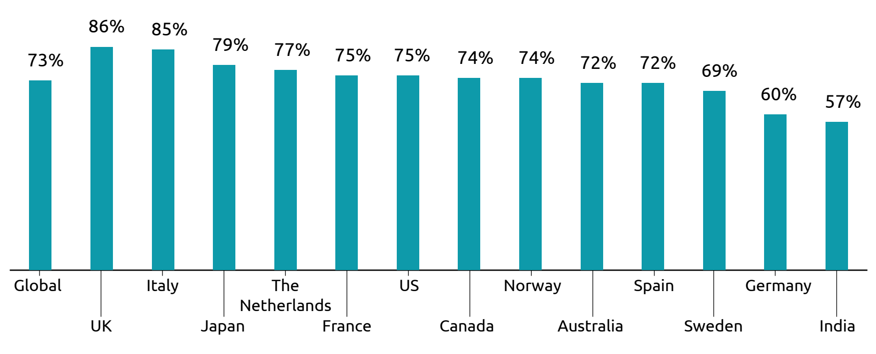
% of executives who agree with the statements



Source: Capgemini Research Institute, Sustainability transformation trends survey, June–July 2024, N = 2,152 executives.

Regulation accelerates measurement and tracking

% of executives, by country, who agree with the statement:
The CSRD is driving my organization to improve its sustainability measurement and tracking capabilities



Source: Capgemini Research Institute, Sustainability transformation trends survey, June–July 2024, N = 2,152 executives.

Organizations are unprepared for Scope 3 emissions disclosures

1. Of the organizations that must submit their first CSRD report in 2025, only 38% are prepared to report Scope 3 downstream emissions in 2025, and 56% are prepared for Scope 3 upstream emissions

Climate tech is a vital toolset for attaining sustainability goals

Every organization should consider climate tech investment

1. 67% of executives agree that their organization will never be able to achieve its sustainability goals without climate tech
2. 69% say that data and digital technologies will play an important role in accelerating climate tech adoption

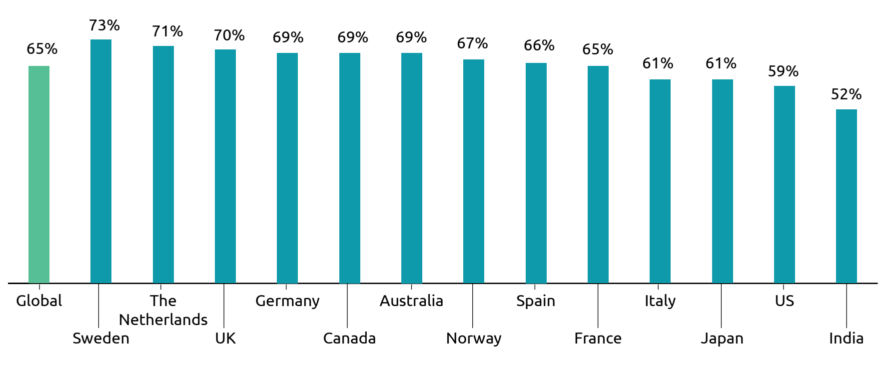
Industry executives believe climate technologies have the potential to significantly reduce GHG emissions in their industry in the next 2–3 years

1. 72% of **aerospace and defense** executives believe that advanced propulsion technology will help reduce GHG emissions in their industry in the next 2–3 years
2. 64% of **automotive** executives say the same about electric-vehicle (EV) battery gigafactories
3. 86% of **agriculture and forestry** executives say the same about bioplastics developed from plant materials
4. 74% of **energy and utilities** executives say the same about energy-storage solutions
5. 85% of **industrial manufacturing** executives say the same about low-carbon hydrogen

Current geopolitics might disrupt sustainability momentum

Most executives believe current geopolitics slows down sustainability investments

% of executives, by country, who agree with the statement: Current geopolitics is driving a slowdown in our sustainability investments/projects



Source: Capgemini Research Institute, Sustainability transformation trends survey, June–July 2024, N = 2,152 executives.

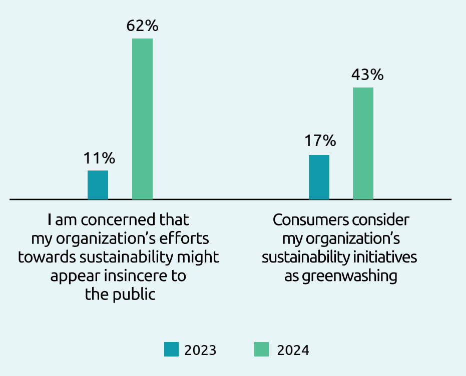
US geopolitical uncertainty is a concern to most executives globally

1. 69% of executives globally say they are concerned about the impact of the uncertain US political scene on sustainability investments

Organizations struggle to convince consumers of their progress

More executives recognize greenwashing dangers

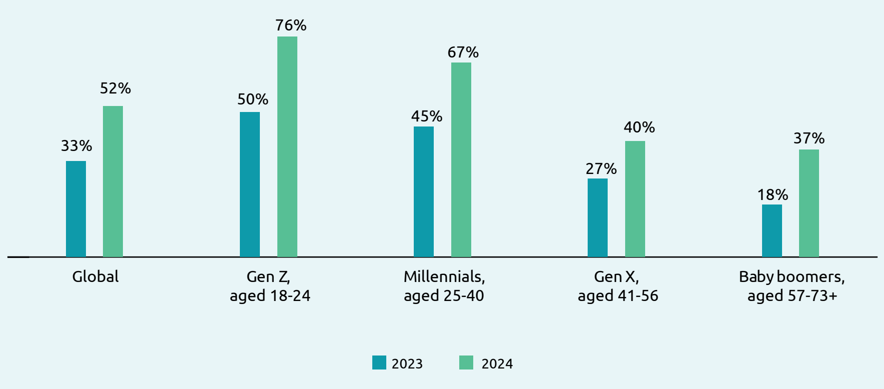
% of executives who agree with the statements



Source: Capgemini Research Institute, Sustainability transformation trends survey, August–September 2023, N = 2,151 executives; June–July 2024, N = 2,152 executives.

Consumers across all age groups are more skeptical and distrustful

% of consumers who believe that organizations/brands are greenwashing their sustainability initiatives, by age group



Source: Capgemini Research Institute, Sustainability consumer survey, October 2023, N = 6,500 consumers; June 2024, N = 6,500 consumers

Most consumers see a greater role for the corporate sector

1. 75% of consumers globally believe corporations must do more to reduce emissions

Recommendations: How organizations can drive lasting sustainability impact

Our 2024 research leads us to make a set of recommendations for organizations to drive lasting, sustainable, and inclusive transformations and impact:

1. Anticipate and prepare for regulatory changes and geopolitical uncertainties that may affect sustainability investments
2. Frame sustainability as a driving force for innovation and business value
3. Embed circularity in the full value chain
4. Elevate water and biodiversity as key priorities of sustainability strategies
5. Invest in climate tech solutions and data and digital technologies that can help reduce emissions, optimize resources, and enhance resilience
6. Prioritize customer centricity in sustainability strategy and initiatives to build trust
7. Ensure the achievement of sustainability goals are an enterprise-wide focus

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