

The background image shows an aerial perspective of a coastal region, likely a river delta. The land on the left is characterized by a dense network of brown, winding waterways and sediment plumes. These plumes transition into a darker, more uniform brown as they reach the coastline. To the right, the ocean is a deep, dark blue. A prominent, lighter-colored, fan-shaped plume of sediment extends from the bottom right towards the center of the frame, where it meets the darker water. The overall scene conveys a sense of natural geological processes and environmental interaction.

IBM Sustainability

Turn sustainability ambition
into action

IBM

Agenda

- Sustainability PoV
- IBM Envizi ESG Suite Overview
- Architecture
- Implementation Methodology

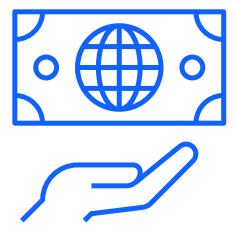
Sustainability is a
global megatrend

The world's largest
corporations and
governments are
accelerating
decarbonization
commitments,
amid increasing
scrutiny of
ESG disclosure



Stakeholder pressure is high and intensifying

Investors



\$53 trillion

investment in
ESG by 2025

Consumers

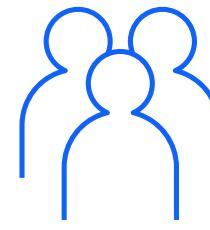


80%

of consumers
indicate sustainability
is important to them

Source: IBM Institute for Business Value

Employees

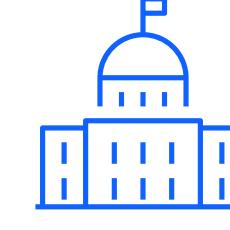


64%

of millennials consider
a company's social
and environmental
commitments
when deciding
where to work

Source: Cone Communications

Government



83%

Net zero targets
have been set by
governments who
represent 83%
of global greenhouse
gas emissions

Source: Net Zero Tracker

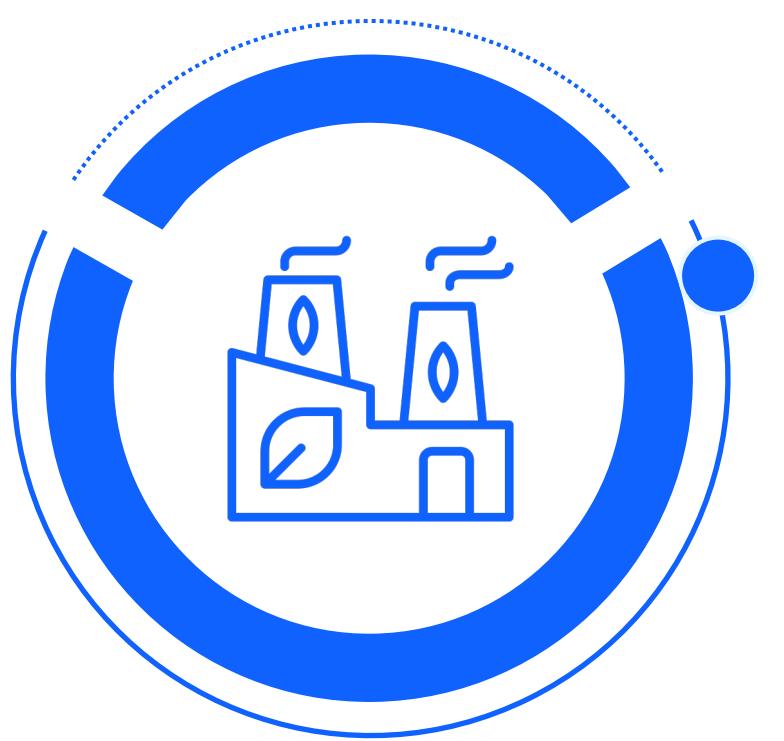
Source: Bloomberg Intelligence

Key business challenges

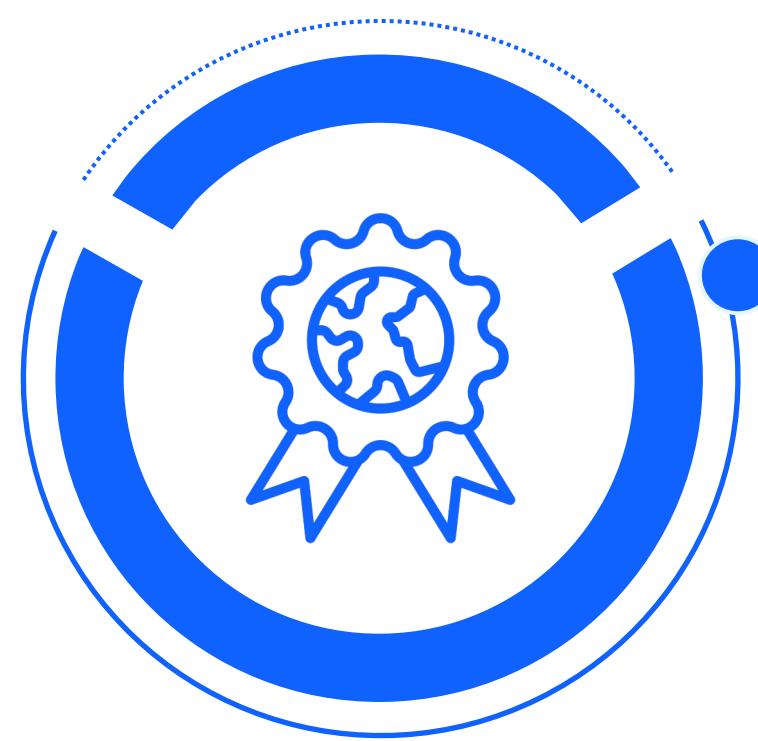
ESG
disclosures



GHG calculation
and reporting



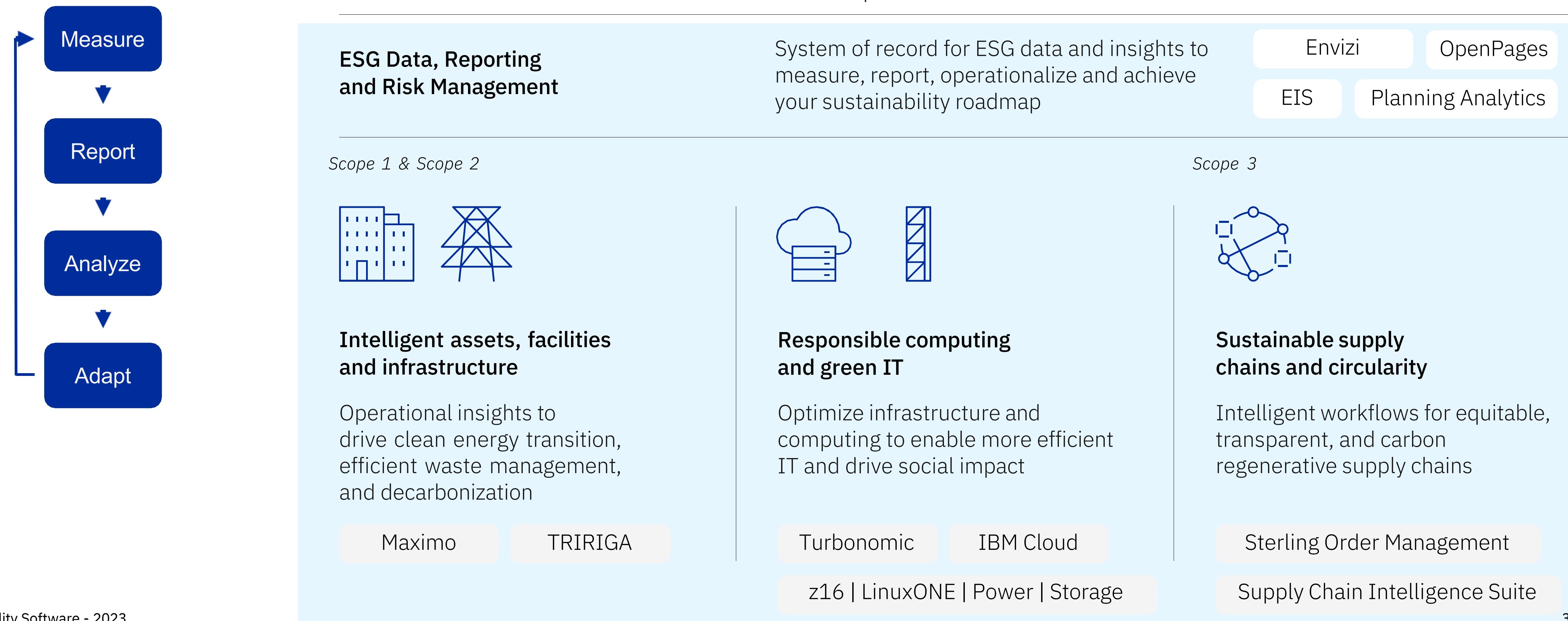
Achieving
decarbonization
targets



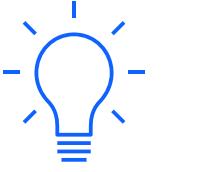
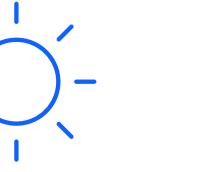
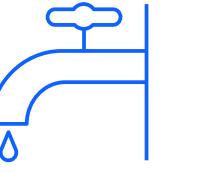
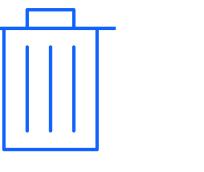
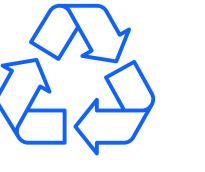
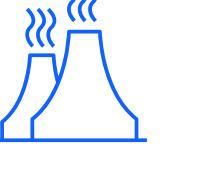
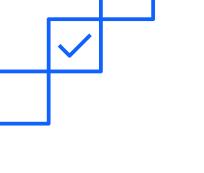
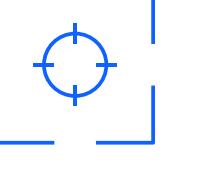
Driving engagement
and action



We provide a recipe for operationalizing sustainability goals



Common gaps across key disclosure areas

Utility billing data  Electricity  Gas  Fuels  Solar	Water  Water, waste water	Waste and recycling  Waste and recycling data types 
Scope 1 Emissions  On-site fuels	Scope 2 Emissions  RECs, green power, market-based emissions	Scope 3 Supply Chain emissions  Across 15 Scope 3 categories
Social indicators  Community investment, donations, volunteer hours	Governance indicators  Headcount, rooms, beds, meals, sales	Targets  Across all indicators

Reporting frameworks and guidelines

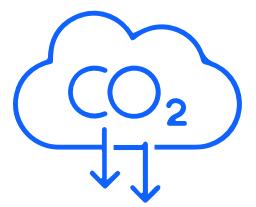


STREAMLINED ENERGY &
CARBON REPORTING

Envizi value proposition

Envizi simplifies the capture, consolidation, management and analysis of sustainability data.

Envizi supports:



Financial grade carbon accounting



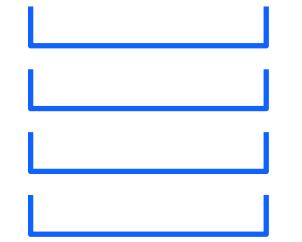
Comprehensive ESG reporting and disclosure



Tracking of performance to sustainability commitments and goals

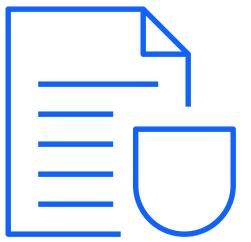


How Envizi helps address key pain points



Build ↗ Data foundation

A single system of record
that delivers auditable,
financial grade
sustainability data



Streamline ↗ Reporting & disclosure

Flexible reporting tools
to meet internal and
external requirements

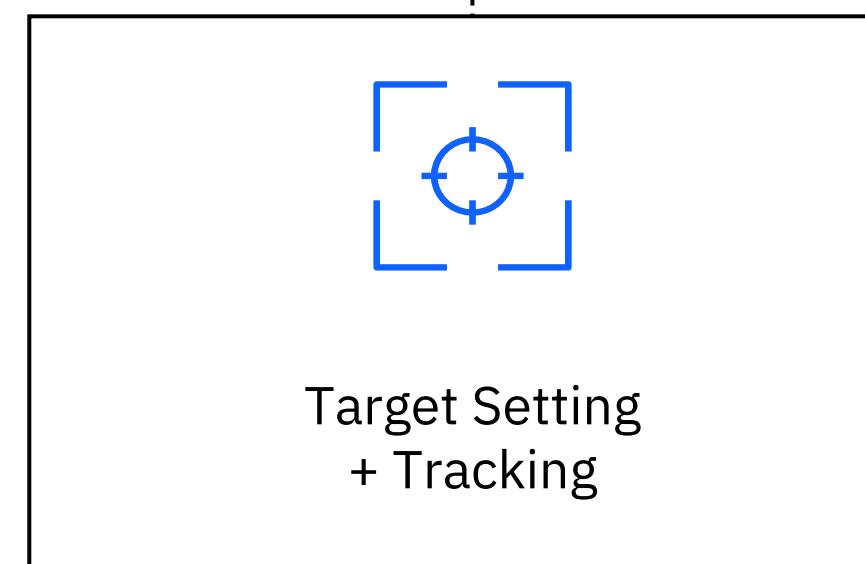
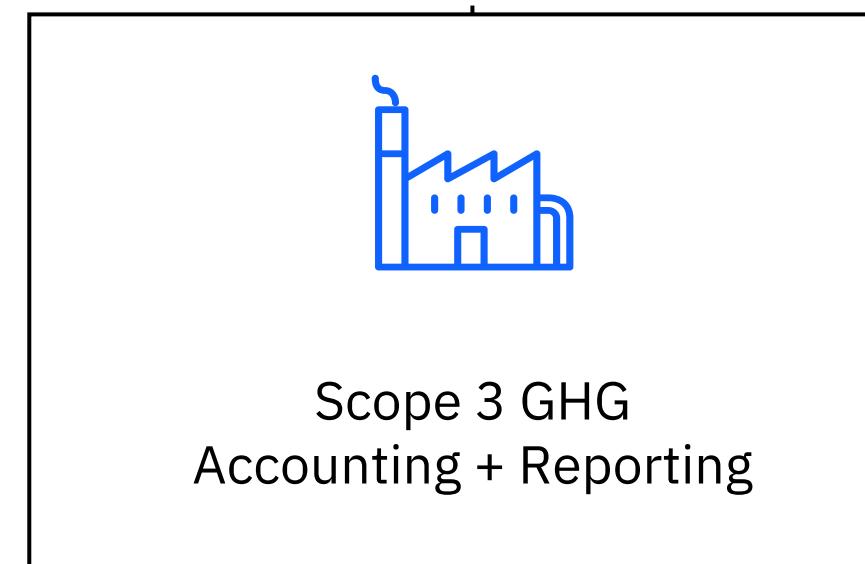
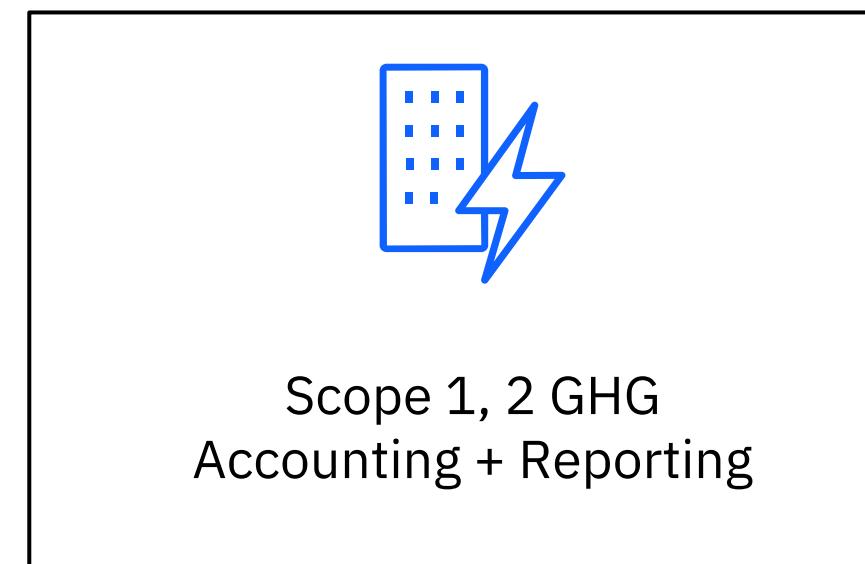


Accelerate ↗ Decarbonization

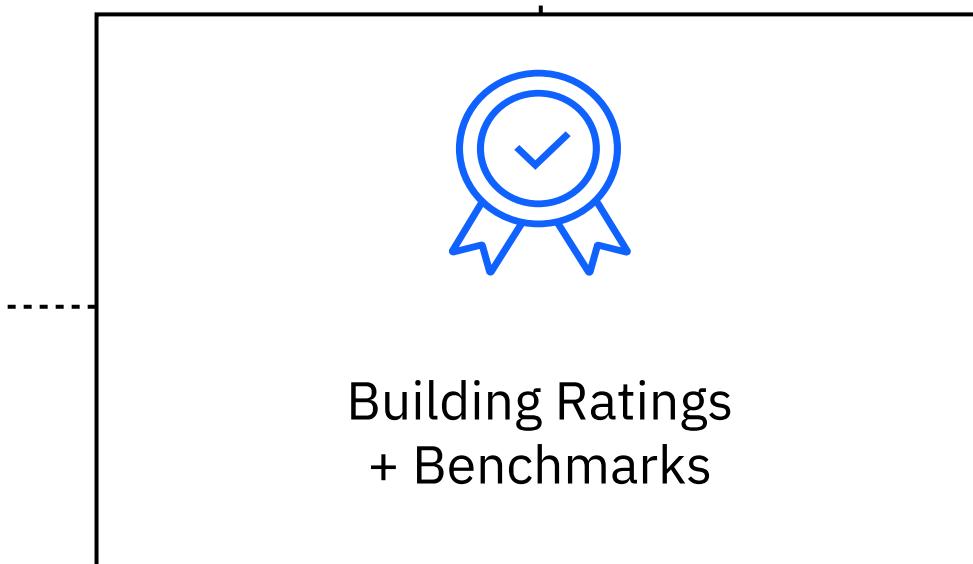
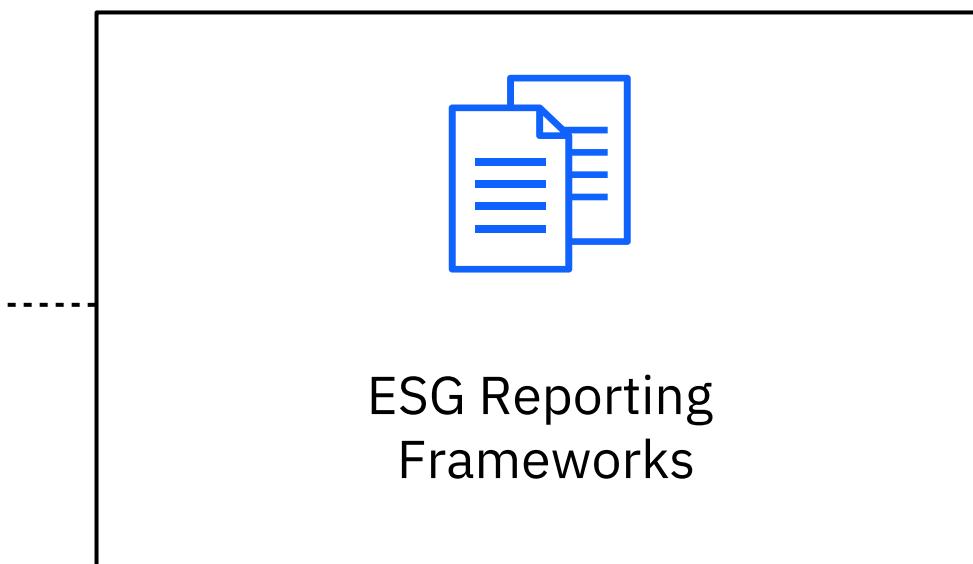
Unlock insights to inform the
fastest and most cost-effective
pathway to low carbon goal

Modular and comprehensive solution

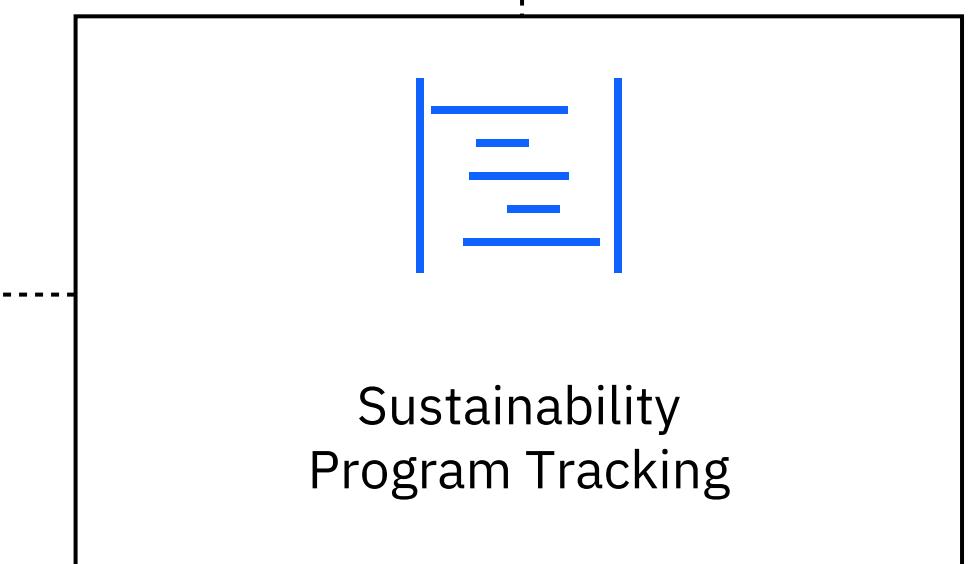
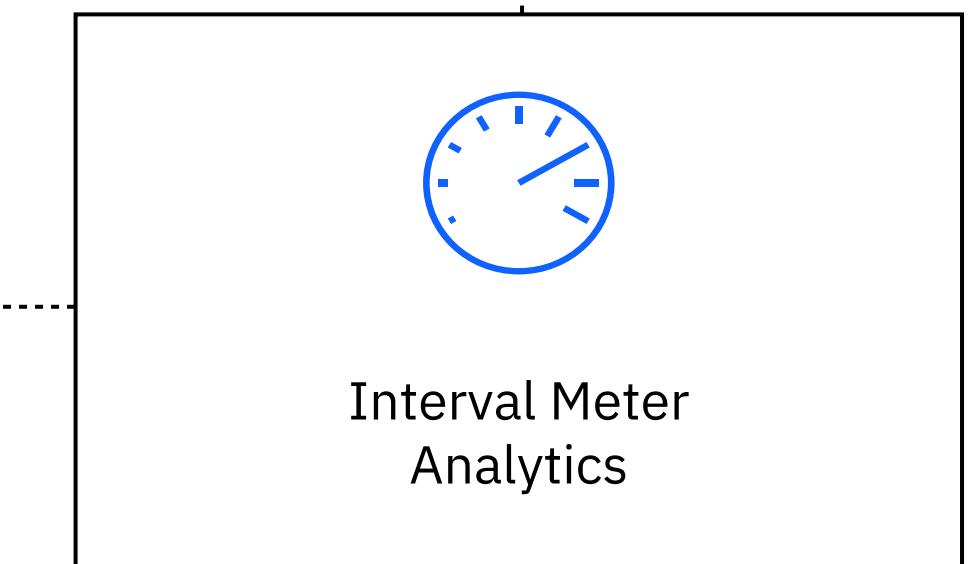
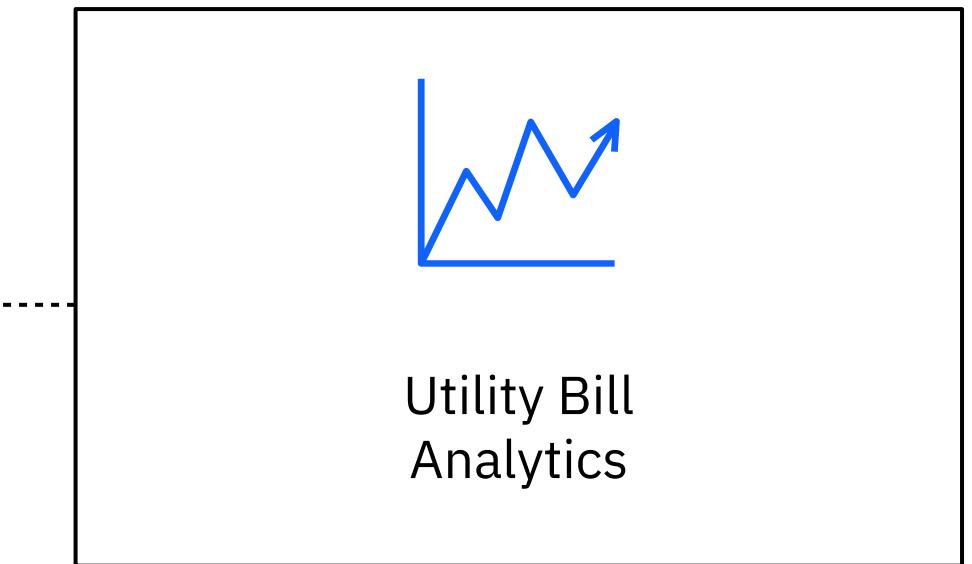
Emissions Management



ESG Reporting

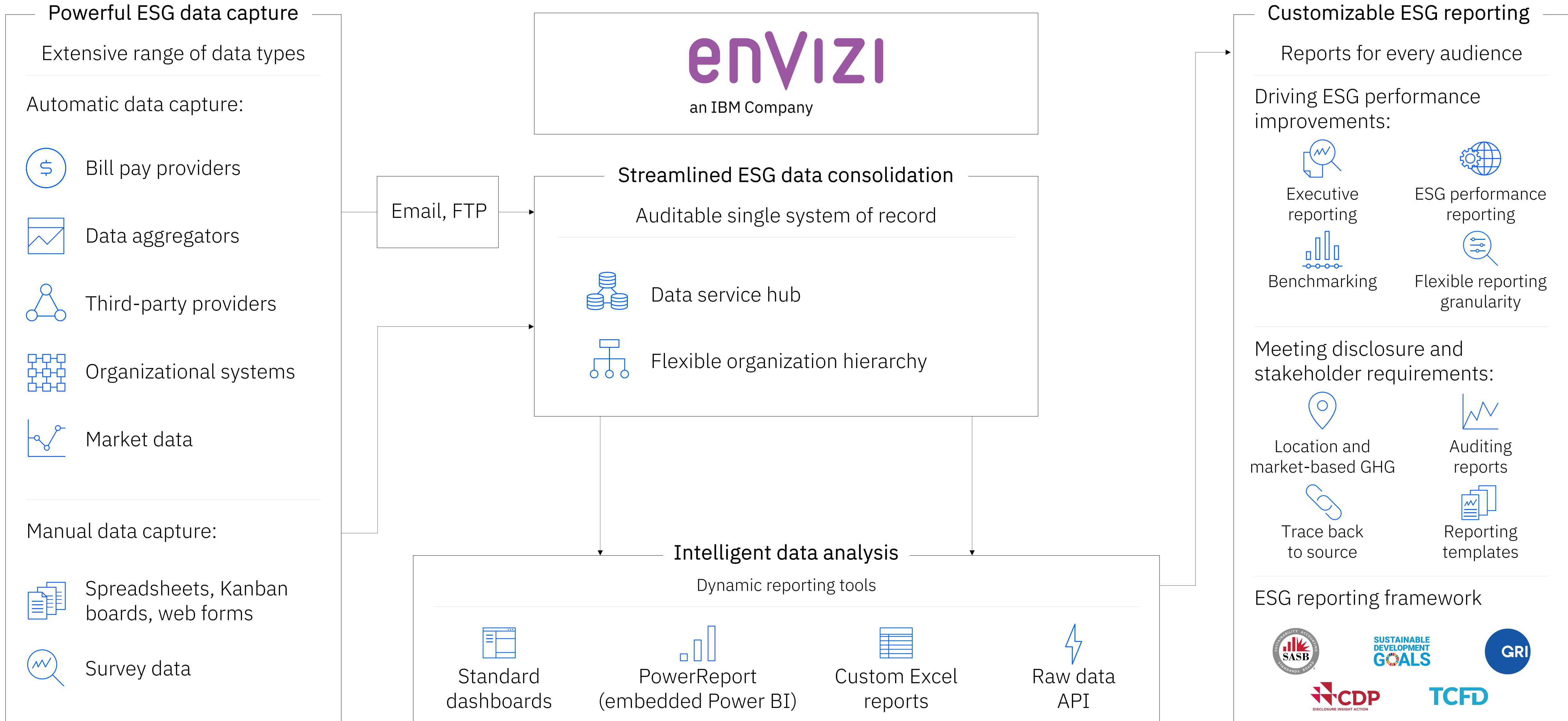


Decarbonization

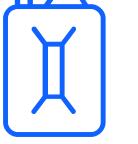
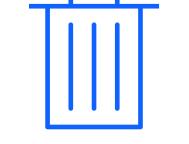
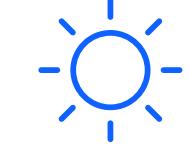


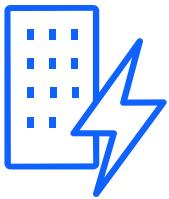
Data Management - Single System of Record

Envizi data flow



500+ sustainability and energy data types

Utility billing data    Electricity Gas Water	Transport and stationary fuels  Diesel, petrol, LPG, propane aircraft fuel, LNG, bio-fuel	Refrigerants and fugitive gases  100+ gas types	Electricity produced  Solar, wind, bio-gas, hydro, thermal	Meter data  NMI meters, smart meters, sub-meters
Certificates and offsets  RECs, carbon effects	Waste and recycling   300+ waste and recycling data types	Materials  100+ material types, construction and building	Transportation  Air travel, taxi, train, car	BMS and IoT data  Control signals, sensors
Social and environmental  Community investment, donations, volunteer hours	Company metrics  Headcount, rooms, beds, meals, sales	Production metrics  Unit, tonnes, \$, litres, hours	Building metrics  m ² , FTEs, occupant hours, building ratings, visits	Weather data  HDD, CDD, rainfall, humidity, irradiation

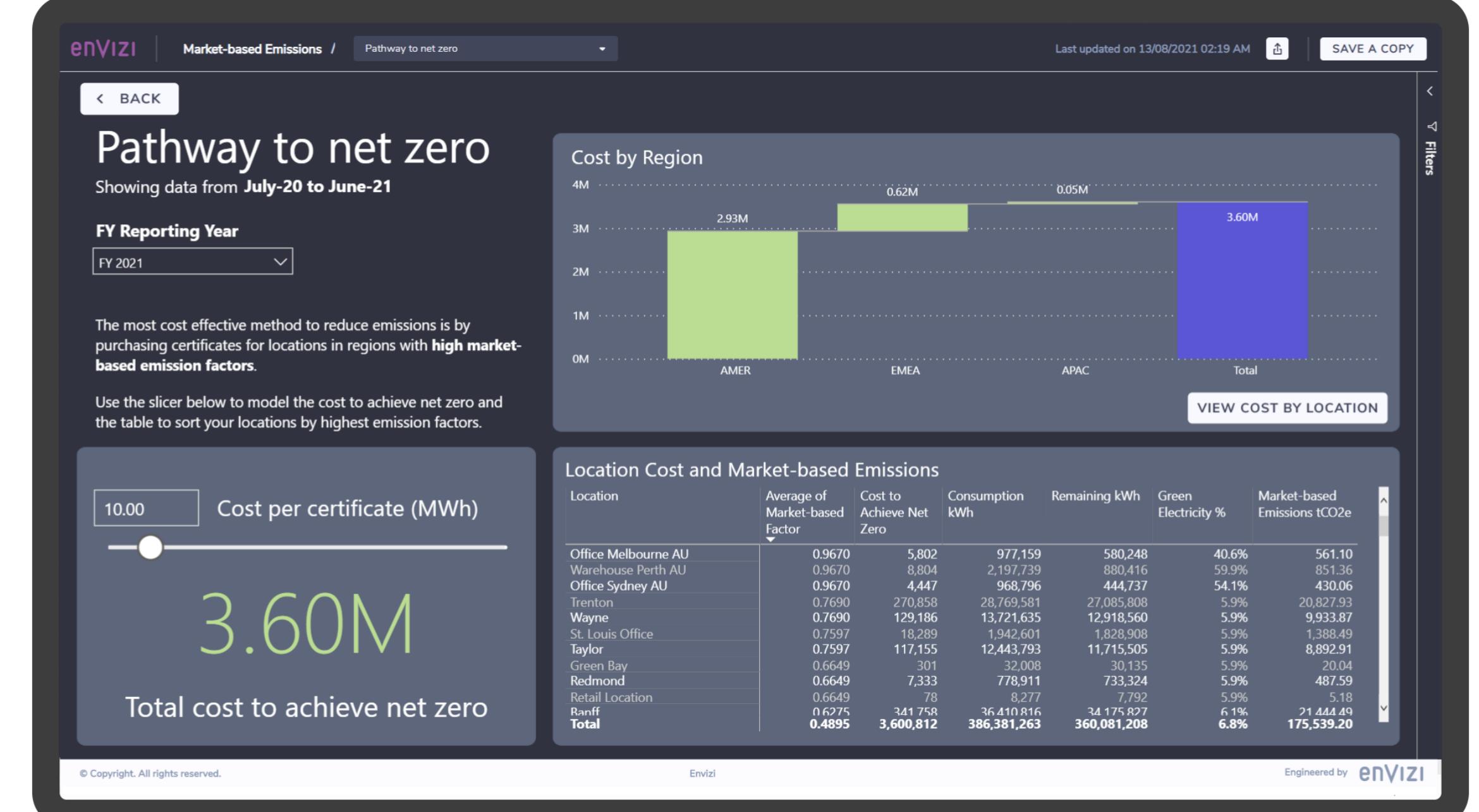
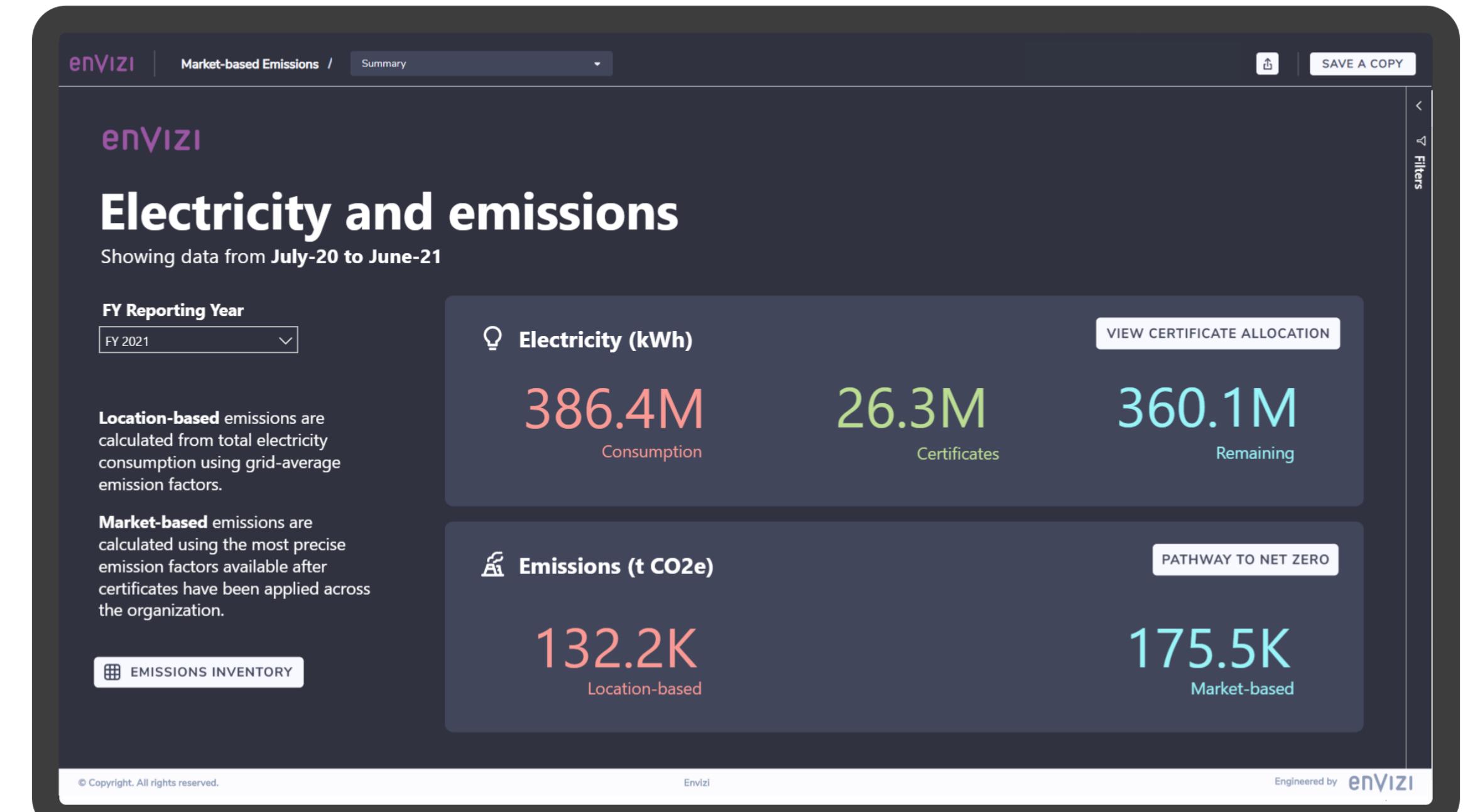


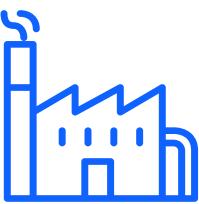
Scope 1 and Scope 2 GHG Reporting and Accounting

Take emissions calculations out of spreadsheets with an extensive platform built on the GHG Protocol, enabling clients to prepare Scope 1 and Scope 2 data for compliance or voluntary emissions reporting frameworks.

Benefits:

- Reduce reporting time by using templates, tools and data automation
- Satisfy auditors with finance grade data management
- Achieve global coverage with multi-country, multi-currency and multi-metric conversion
- Leverage Envizi's modeling tools to optimize emissions reductions





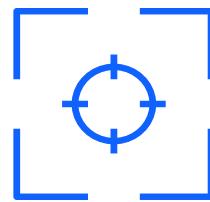
Scope 3 GHG Reporting and Accounting

Calculate Scope 3 upstream and downstream GHG emissions across an organization using all methods supported by the GHG Protocol including spend-based, average-data, hybrid and supplier-specific.

Benefits:

- Eliminate spreadsheets and simplify reporting
- Reduce the administrative burden having Envizi manage Scope 3 factors
- Satisfy auditors with finance grade data management and adherence to the GHG Protocol
- Achieve global coverage with multi-country, multi-currency and multi-metric conversion



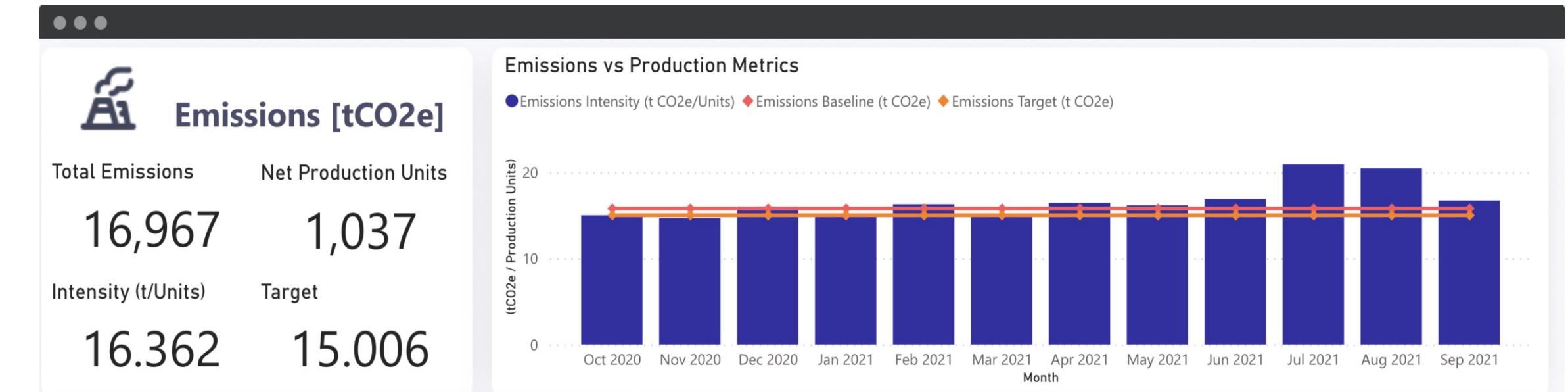


Target Setting and Tracking

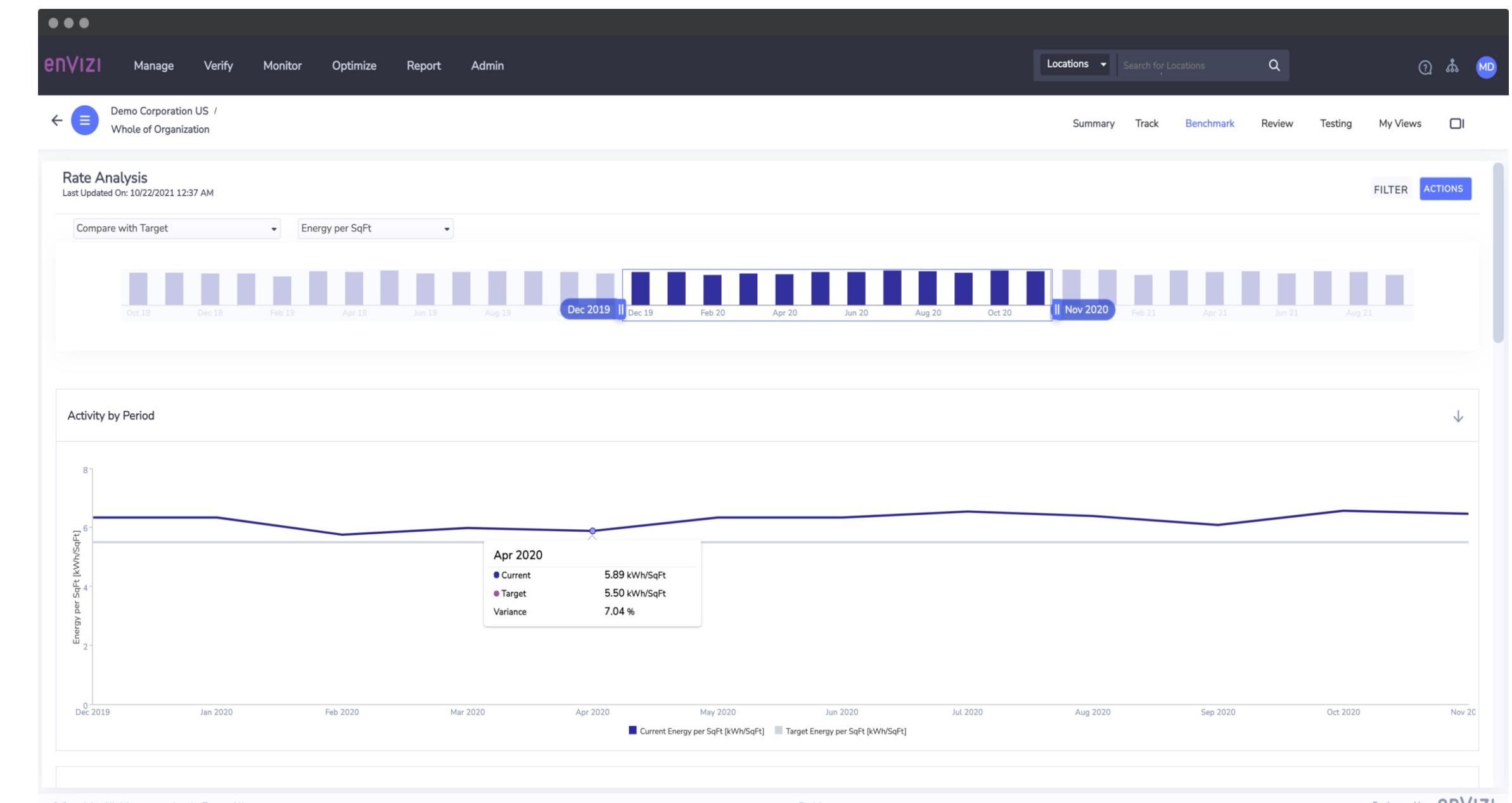
Capture and track sustainability performance targets at any level of an organization with this comprehensive target setting and tracking tool.

Benefits:

- Track performance more accurately and access results when you need them
- Improve accountability for results at different levels of your organization
- Make more informed decisions
- Engage your people in sustainability performance



Month	Unit Production	GHG S1	GHG S2	GHG (S1 + S2)	Scope 1 Intensity	Scope 2 Intensity	Intensity (t CO2e/Units)	Baseline	Target
October 2020	101.00	283.76	1,202.97	1,515.24	2.810	11.911	15.002	15.796	15.006
November 2020	104.00	283.39	1,212.66	1,526.29	2.725	11.660	14.676	15.796	15.006
December 2020	82.00	237.21	1,052.38	1,315.07	2.893	12.834	16.037	15.796	15.006
January 2021	99.00	272.93	1,208.46	1,495.60	2.757	12.207	15.107	15.796	15.006
February 2021	85.00	249.68	1,109.89	1,385.71	2.937	13.058	16.302	15.796	15.006
March 2021	100.00	274.21	1,200.59	1,495.53	2.742	12.006	14.955	15.796	15.006
April 2021	91.00	267.80	1,196.14	1,498.30	2.943	13.144	16.465	15.796	15.006
May 2021	93.00	273.72	1,211.54	1,505.23	2.943	13.027	16.185	15.796	15.006
June 2021	89.00	267.74	1,157.06	1,505.20	3.008	13.001	16.912	15.796	15.006
July 2021	57.00	209.85	918.49	1,192.87	3.681	16.114	20.928	15.796	15.006
August 2021	69.00	243.45	1,049.51	1,411.65	3.528	15.210	20.459	15.796	15.006
September 2021	67.00	1,120.64	1,120.64	1,120.64	16.726	16.726	16.726	15.796	15.006





ESG Reporting Frameworks

Upgrade ESG data from spreadsheets into a robust platform which is finance-grade to meet reporting requirements.

Benefits:

- Report to multiple frameworks using a single system of record
- Reduce reporting time and costs by using templates, tools and data automation
- Satisfy auditors with finance-grade data management
- Achieve global coverage with multi-country, multi-currency and multi-metric conversion

The screenshot shows the 'ENVIZI LIBRARY' section of the Framework Reporting Manager. It features a grid of six cards, each representing a different reporting framework:

- TCFD**: Task Force on Climate-related Financial Disclosures. 4 Topics • 11 Questions. Description: Financial markets need clear, comprehensive, high-quality information on the impacts of climate change. This includes the risks and opportunities presented by rising temperatures, climate-related policy, and emerging technologies in our changing world. The Financial Stability Board created the Task Force on Climate-related Financial Disclosures.
- SASB**: Sustainability Accounting Standards Board. 14 Topics • 36 Questions. Description: SASB Standards enable businesses around the world to identify, manage and communicate financially-material sustainability information to their investors. SASB has developed a complete set of 77 Industry Standards. In November 2018, SASB published these Standards, providing a complete set of globally harmonized industry standards.
- GRI**: Global Reporting Initiative. 35 Topics • 162 Questions. Description: The GRI Standards enable any organization – large or small, private or public – to understand and report on their impacts on the economy, environment and people in a comparable and credible way, thereby increasing transparency on their contribution to sustainable development. In addition to reporting requirements...
- SFDR**: Sustainable Finance Disclosure Regulation. Description: SFDR requires financial market participants to disclose information about their environmental, social and governance (ESG) policies and practices, as well as the ESG characteristics of the products they offer.
- UN SDGs**: United Nations Sustainable Development Goals. Description: The SDGs are a set of 17 global goals designed to end poverty, protect the planet, and ensure prosperity for all.
- INREV**: International Net Revenue Exchange. Description: INREV is a reporting standard for the insurance industry.

The screenshot shows the 'Framework Reporting Manager' detail view for a specific question under the SASB framework. The question is titled 'Supply chain regulatory compliance' and asks for the percentage of Tier 1 supplier facilities and supplier facilities beyond Tier 1 in compliance with wastewater discharge contractual agreements.

Question:
Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge contractual agreements

Details:

1. The entity shall disclose the percentage of (1) its Tier 1 supplier facilities and (2) its supplier facilities beyond Tier 1, that are in compliance with wastewater discharge permits and/or contractual agreements.

1. Tier 1 suppliers are defined as suppliers that transact directly with the entity, such as finished goods manufacturers (e.g., cut and sew facilities).

2. Suppliers beyond Tier 1 are the key suppliers to the entity's Tier 1 suppliers and can include manufacturers, processing plants, and providers of raw materials extraction (e.g., mills, dye houses and washing facilities, sundry manufacturers, tanneries, embroiderers, screen printers, farms, and/or slaughter houses).

3. A supplier facility shall be considered to be in compliance with applicable permits and/or contractual agreements if it meets the limits established by local legal or regulatory requirements for each chemical during testing conducted by local officials and by the entity, and if the facility has not received a wastewater discharge violation during the reporting period.

1. The determination of facility compliance with permits and/or contractual agreements is aligned with the Sustainable Apparel Coalition's (SAC) Higg Facility Environment Module (FEM), Section 4 - Wastewater/Effluent, Level 1, Question 2.

4. The entity shall calculate the percentages by dividing the number of supplier facilities (in each respective category) in compliance



Building Ratings and Benchmarks

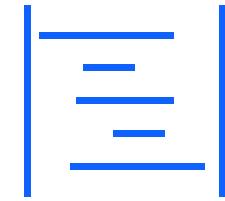
Capture building attribute and utility data, calculate ratings, and benchmark and track building performance in one place.

Benefits:

- Reduce accreditation costs and compliance risks by storing and reporting utility consumption and building attribute data in a central location
- Reduce rating shock by tracking indicative ratings performance against targets on a monthly basis
- Save time by pushing data directly to frameworks in supported formats

The screenshot shows a table titled "GRESB Group Review" with 17 rows. The columns include Location, Asset Characteristics, Efficiency Measures, Building Certifications, Reporting Characteristics, Energy, GHG, Water, Waste, Data Completeness, Disabled Status, and a "SUBMIT TO GRESB" button. The data shows various values for each location, such as energy consumption and waste generation.

The screenshot shows the "Energy Star Rated Site" interface. It includes sections for "Location Details" (Energy Star Rated Site, New York City, One Penn Plaza, New York 10119, United States), "Activity by Period" (Energy, Emissions, Cost), "Data Health" (Actual: 74.88%, Accrued: 25.12%, Estimated: 0.00%), and "Energy Data Type Summary". A sidebar on the right lists "Group Memberships", "Addresses", "Notes", "Attachments", "Issues", and "ENERGY STAR® Score" (99).

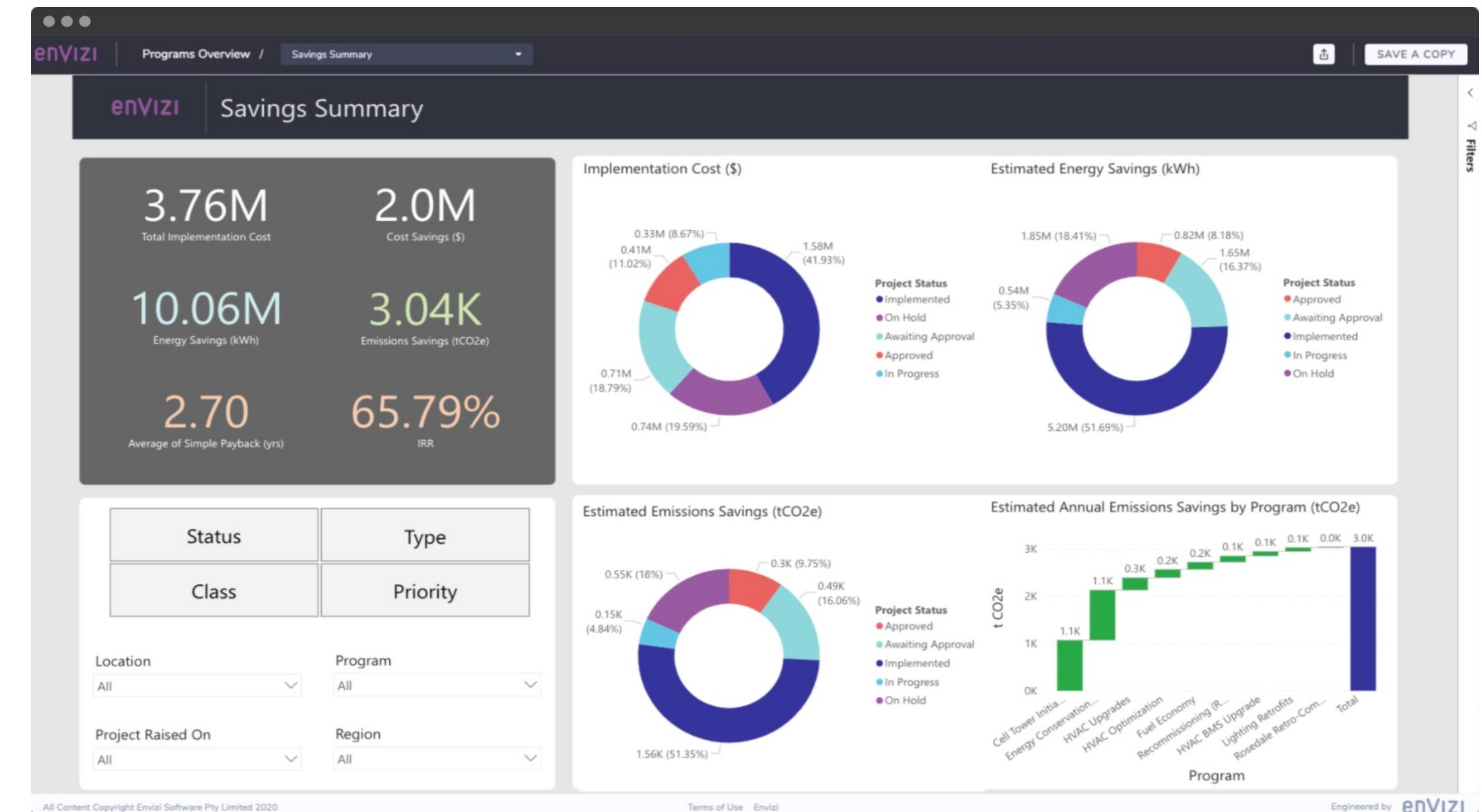
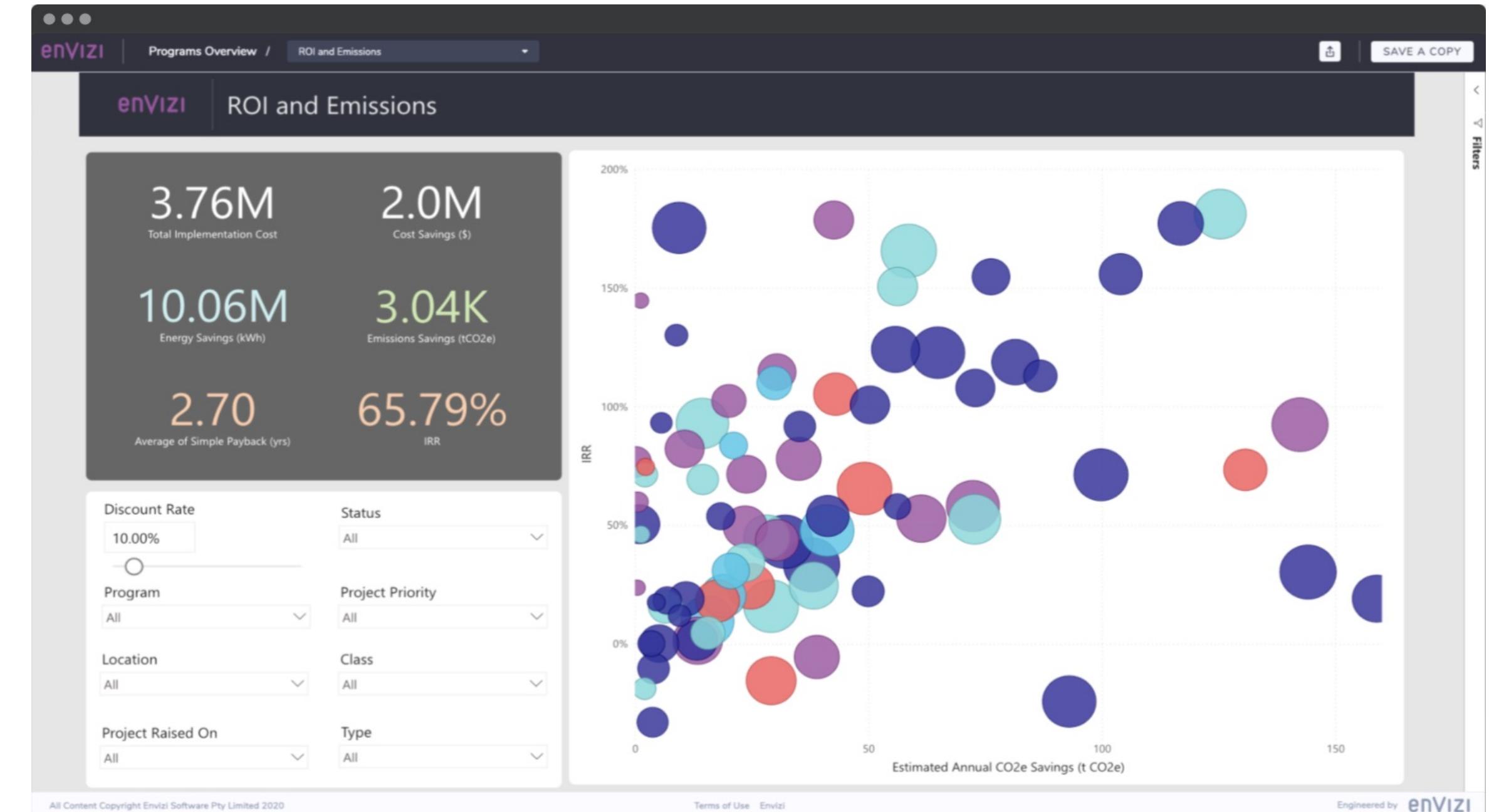


Sustainability Program Tracking

Manage an organization's sustainability programs in a consistent and transparent manner to track progress, verify results and optimize investment decisions.

Benefits:

- Achieve a unified system of record and eliminate numerous systems and spreadsheets
- Improve project transparency for all stakeholders across the organization
- Enhance accountability by validating actual results against business case assumptions
- Make smarter investment decisions based on real-world project performance



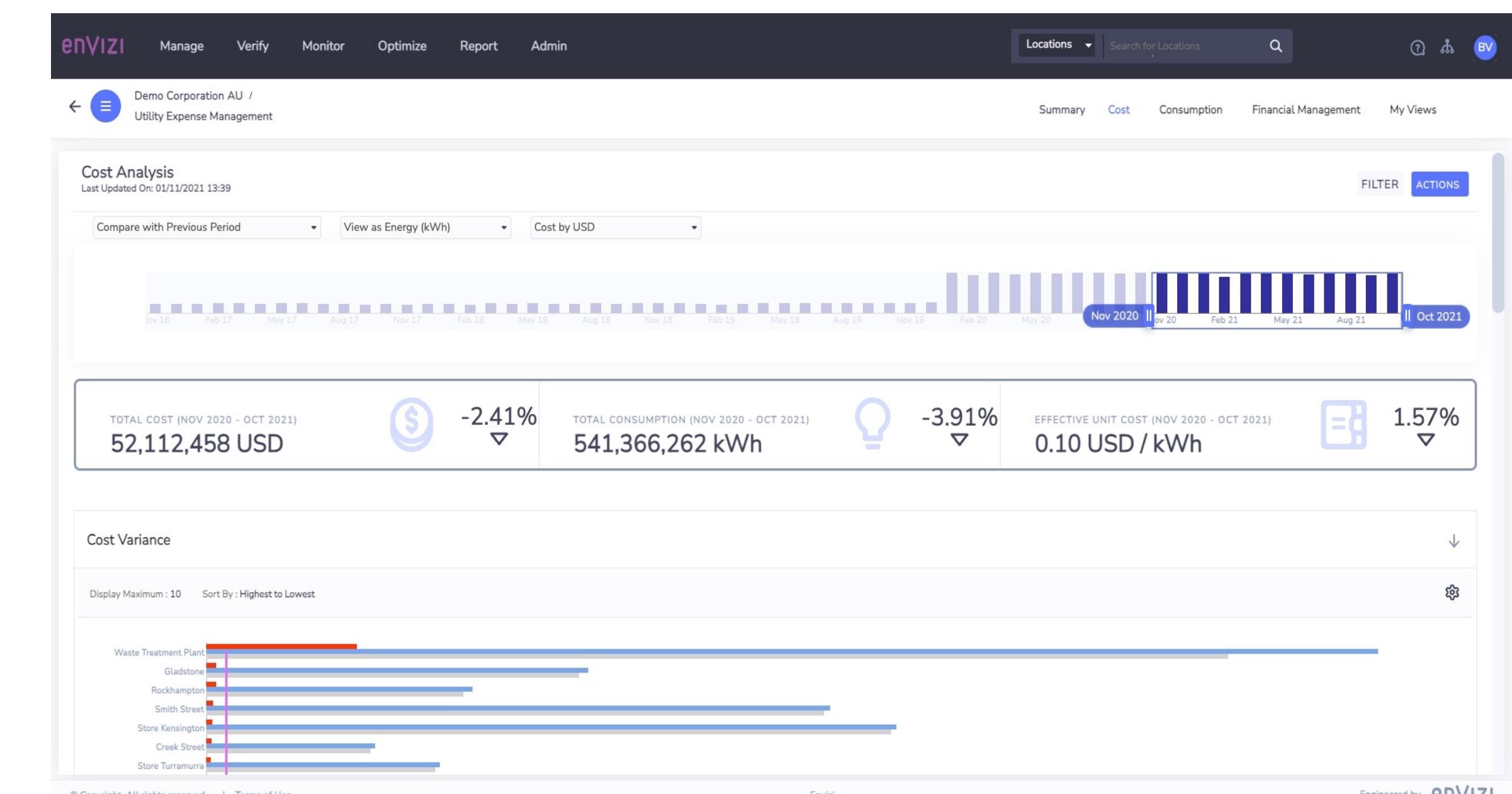
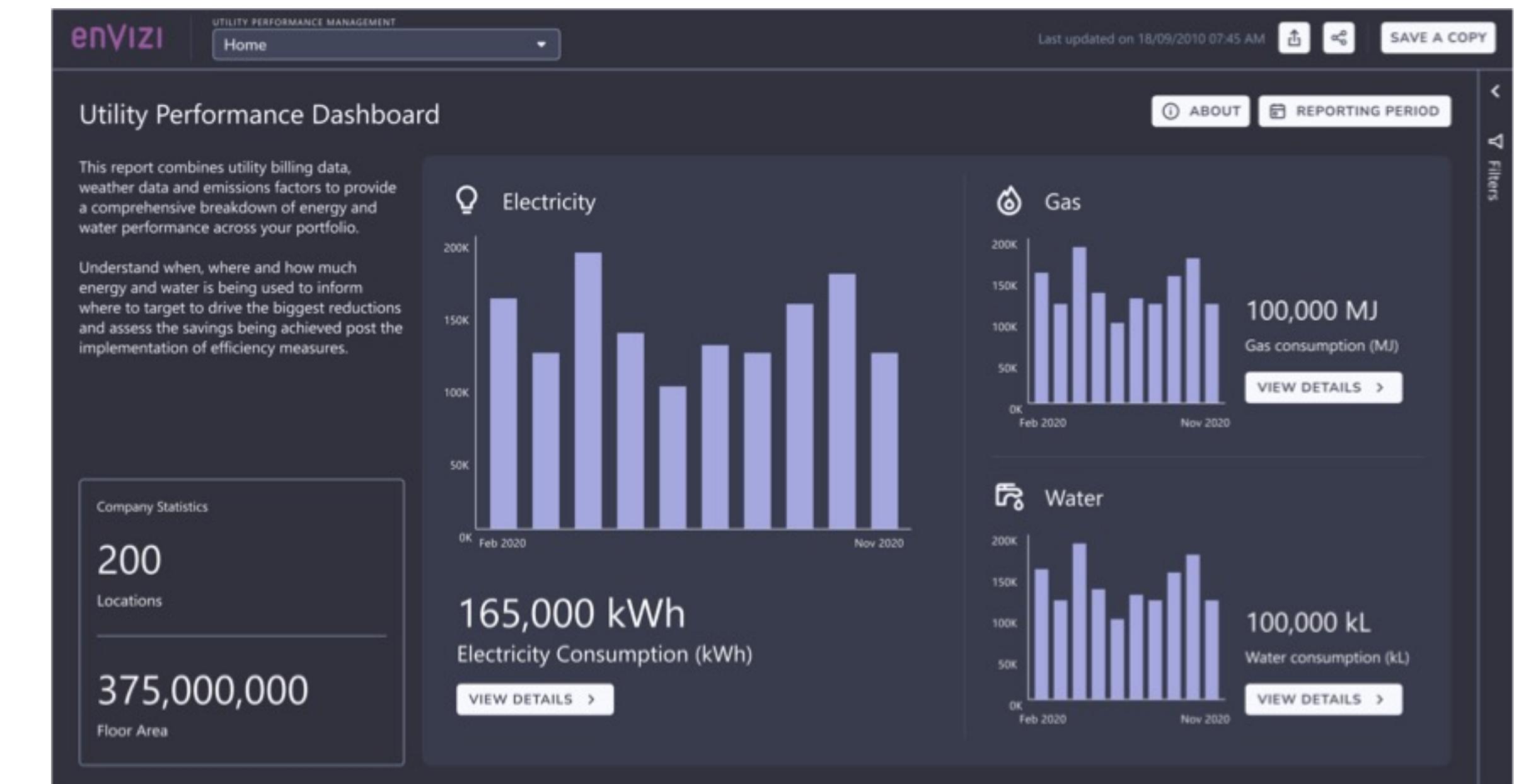


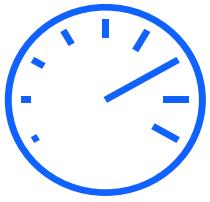
Utility Bill Analytics

Leverage utility billing data inside a powerful analytics engine to analyze and control energy cost and consumption, identify anomalies, and inform decision making for energy efficiency.

Benefits:

- Streamline the capture and reporting of utility data across the organization
- Reduce errors from manual data handling
- Quickly respond to cost and consumption variances to minimize waste
- Identify more savings opportunities through intensity benchmarking
- Measure savings realized over time to drive accountability and transparency





Interval Meter Analytics

Automate the capture of high-resolution meter data and leverage sophisticated analytics and workflow tools, so your organization can drive efficiency and decarbonize across facilities.

Benefits:

- Improve operational transparency and accountability
- Minimize energy waste
- Identify more savings opportunities
- Drive higher efficiency and accelerate decarbonization

