

From compliance to competitive advantage

Harnessing ESG regulation to accelerate your sustainability strategy

The new wave of environmental, social and governance (ESG) regulations and reporting mandates is sparking a sense of urgency among companies eager to achieve their net-zero and sustainability goals. This shift offers a golden opportunity for businesses to embrace a suite of cutting-edge technologies to gain competitive advantage. By harnessing these innovations alongside human ingenuity, companies can go beyond simply meeting ESG standards to truly enhancing their value through reinvention strategies.

There is pressure from several stakeholders to act on sustainability

72%

of pressure comes from regulators and governments.

71%

from corporate boards.

55%

from shareholders and investors.

54%

from civil society.

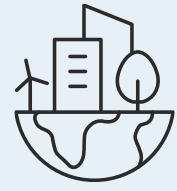
Companies are unprepared to meet the new ESG reporting requirements

Only 10% claim they are ready for granular reporting mandates.

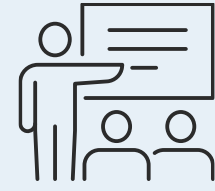
Just 15% say they have strong ESG measurement, management and talent capabilities and can turn ESG reporting into a competitive advantage.

Companies with strong ESG measurement, management and talent capabilities see sustainability as a value driver

These organizations have adopted practices and behaviors to enable sustainability to create value by:



Gathering detailed ESG information and tracking its quality.



Turning ESG data into knowledge to improve real-time decision-making.



Using predictive analytics to identify potential ESG-related risks and opportunities.



Fostering collaboration by cultivating complementary skills within their finance and sustainability teams.

When compared to peers with weak ESG capabilities, companies with strong capabilities are:

3X more effective at balancing sustainability and profitable growth goals.

2X more likely to consider sustainability as a significant value driver for their organization.

3X less likely to believe that focusing on sustainability negatively impacts the interests of shareholders.

Actions to strengthen ESG measurement, management and talent capabilities

Every company faces unique challenges in developing its ESG measurement, management and talent capabilities. Regardless of the starting point, the following six actions are recommended:

1 Define ESG reporting ambition.

2 Prepare for compliance: Complete readiness assessment, position company for the future and secure the right skills.

3 Integrate ESG reporting with financial planning and performance management.

4 Automate data collection process to turn data into insights.

5 Stay close to regulators and ecosystem allies to get valuable feedback on planned activities.

6 Engage with all stakeholders to turn ESG reporting into an opportunity to drive greater value.

Ready to strengthen your ESG measurement, management and talent capabilities? Dive into our comprehensive report now!

<https://accenture.com/sustainabilityperformance>

Source: Accenture ESG Measurement and Management Study, 2023.

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