

The Green Market Revolution

Thomas Husson, Vice President, Principal Analyst



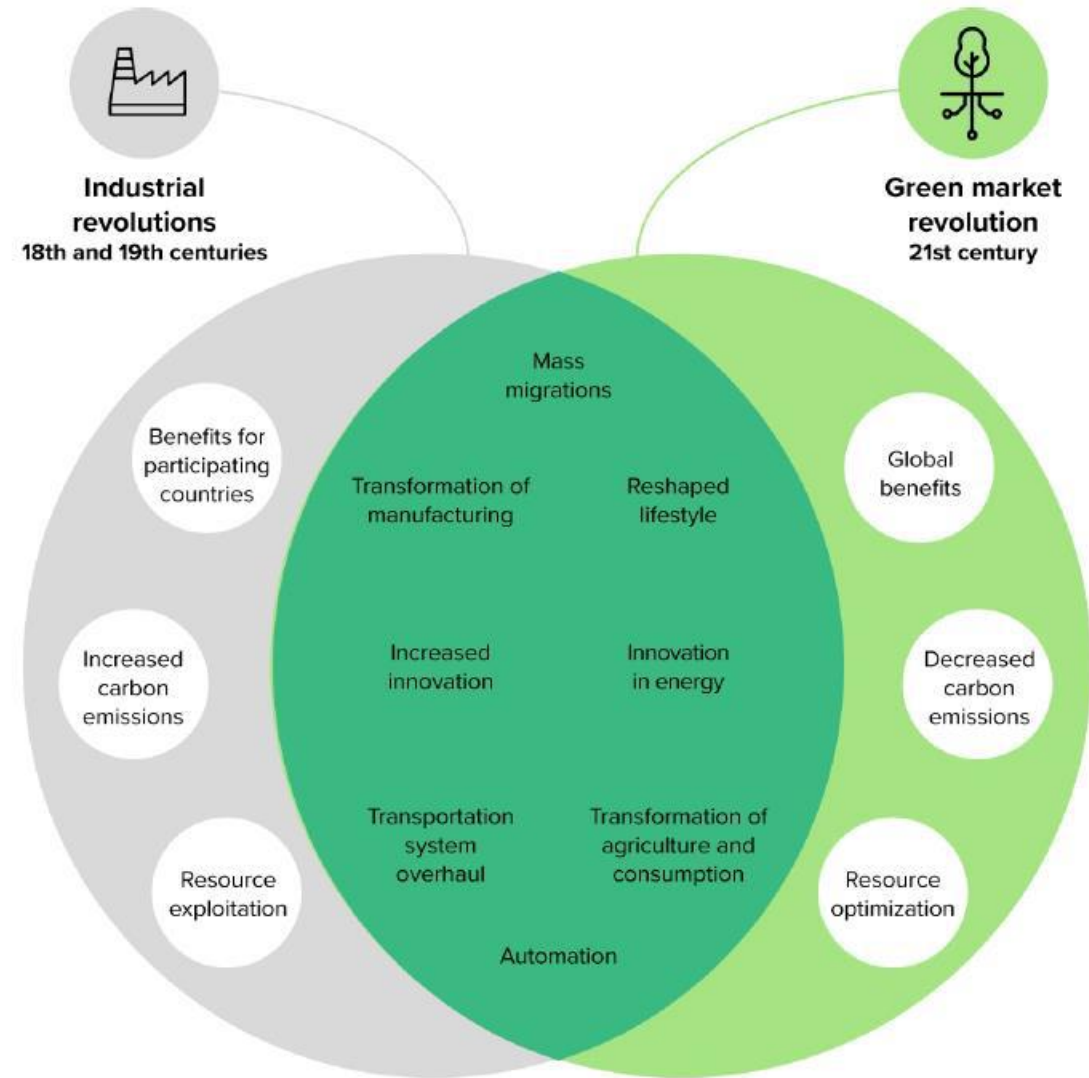
Utrecht, November 16, 2022

BOLD
AT
WORK

Agenda

- Why is environmental sustainability a new competitive advantage?
- How can firms become more sustainable and what is the role of technology in sustainable transformation?
- How should IT leaders embrace the circular economy?

The green market isn't simply a business opportunity: it's a market revolution



Source: Forrester Research, Inc. Unauthorized reproduction, citation, or distribution prohibited.

Money — not ethics — will fuel green market opportunity

Initial Green Market Investment: US And EU Governments, Global VC Funding And Finance

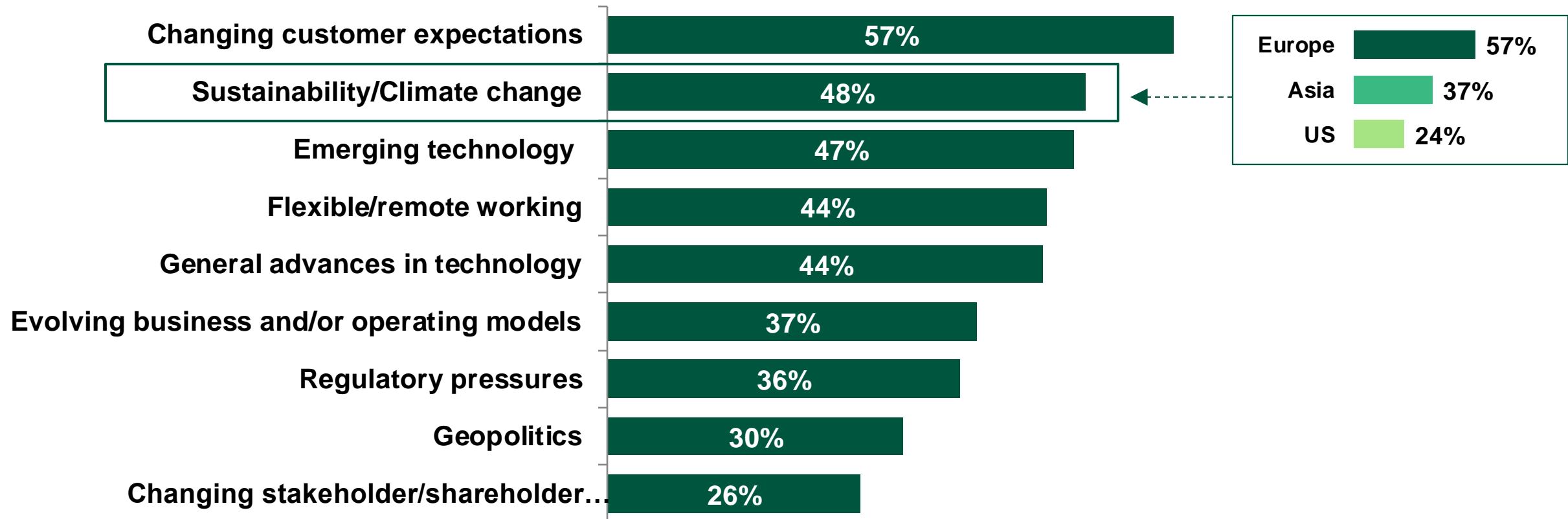


Note: In our government spending estimates we included spending directly targeted and open for targeting climate change from the US 2021 Infrastructure Investment And Jobs Act; 2022 CHIPS Act, and 2022 IRA, and the EU 2021-2027 Budget and NextGenerationEU. Venture capital and global financial instruments estimates are for 2021.

Source: Forrester Research, Inc. Unauthorized reproduction, citation, or distribution prohibited.

In Europe, climate change is perceived as a top disruptive factor

“What factors will cause the most disruption? ”

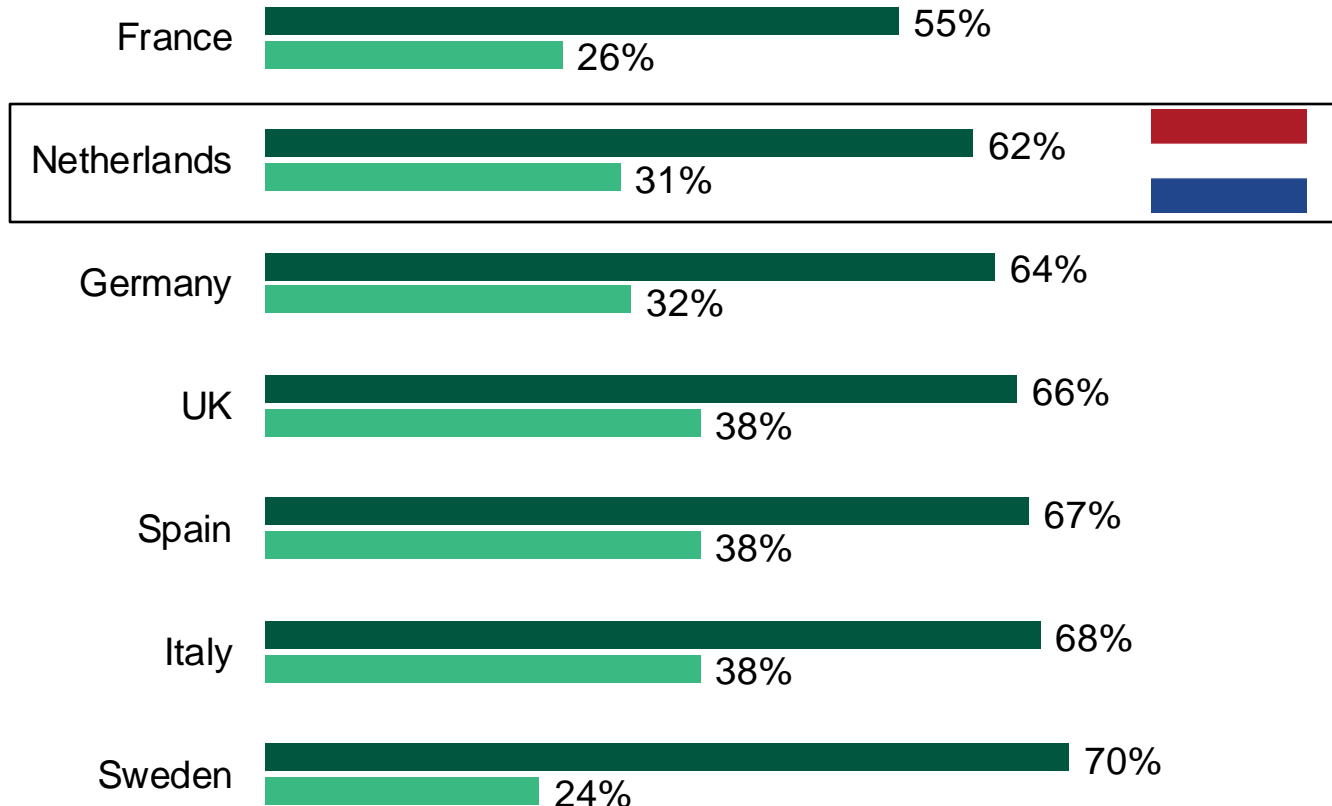


Note: top 10 responses shown.

Base: 1,100 CEOs and C-Level Decisions Makers / Source: Forrester / Odgers Berndtson Global Leadership Confidence Survey, 2022

Dutch consumers demand sustainable and trustful firms

- Companies are responsible for protecting the environment
- I trust companies when they say they will commit to reducing climate change



57%

consider brands tend to mislead consumers when communicating their environmental initiatives



Base: 1,697 Dutch online adults

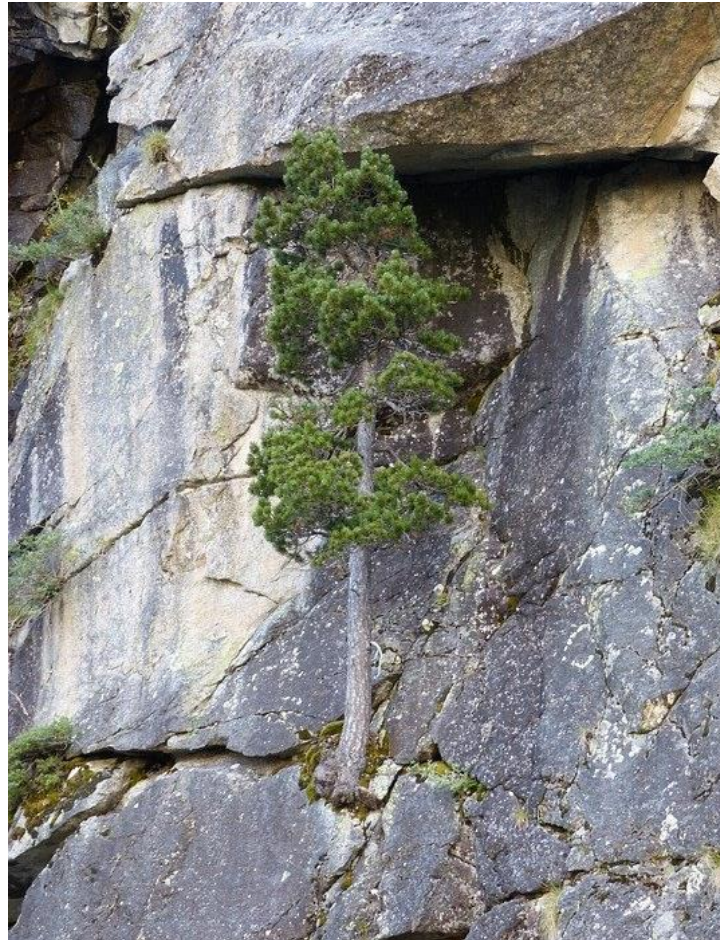
Source: Forrester's Consumer Europe Survey, 2022

Beyond pressure from regulators, investors, customers and employees, sustainability is an opportunity to build a new competitive advantage

Build Trust



Increase Resilience



Open New Markets



European firms lead the pack when it comes to integrating sustainability into strategy and execution

Global 200 companies



~60%

Have a named sustainability lead



~45%

Have a Scope 1&2 target



~20%

Have a Scope 3 target

50 EMEA largest firms



~90%

Have a named sustainability lead



~70%

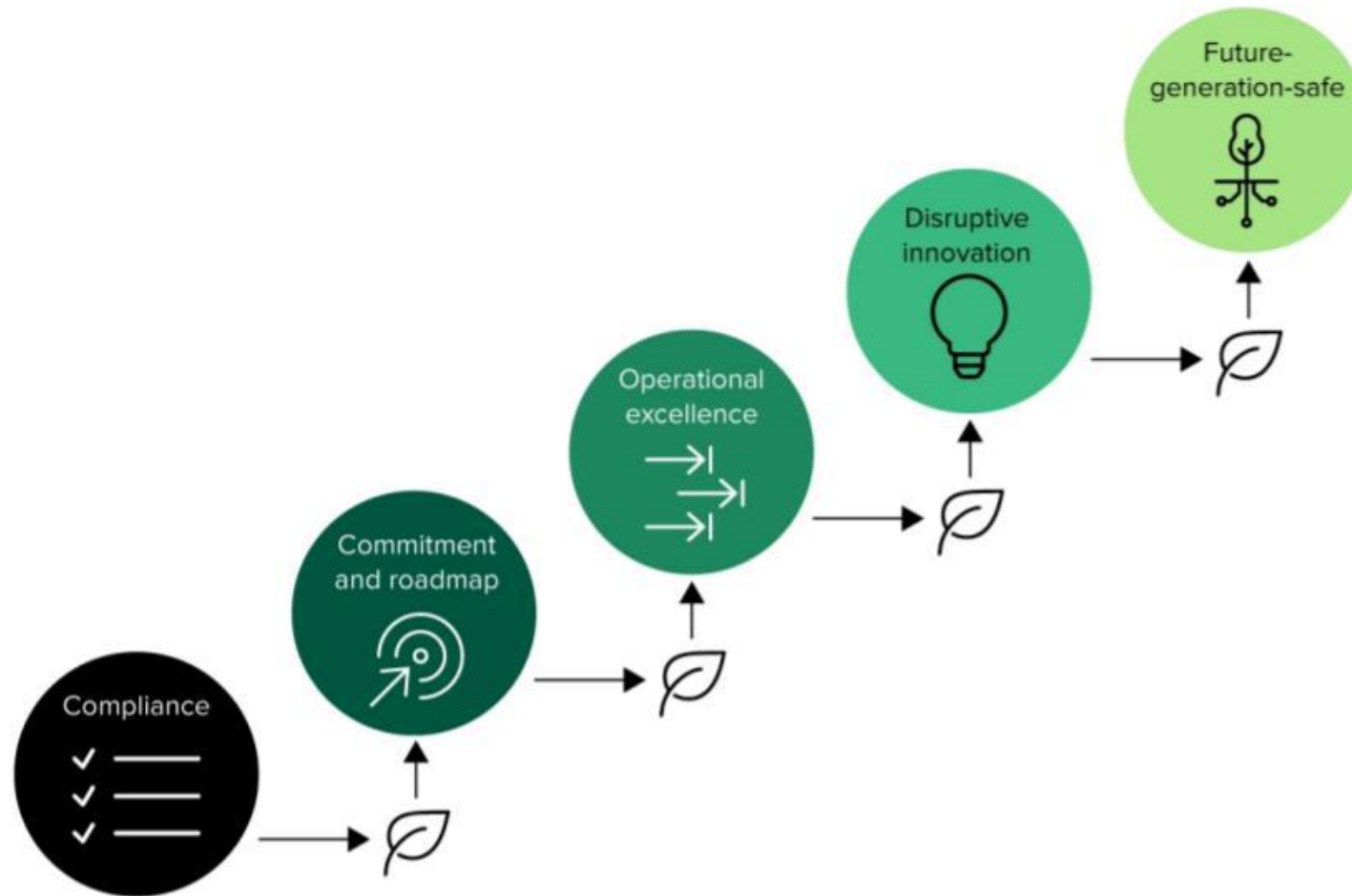
Have a Scope 1&2 target



~40%

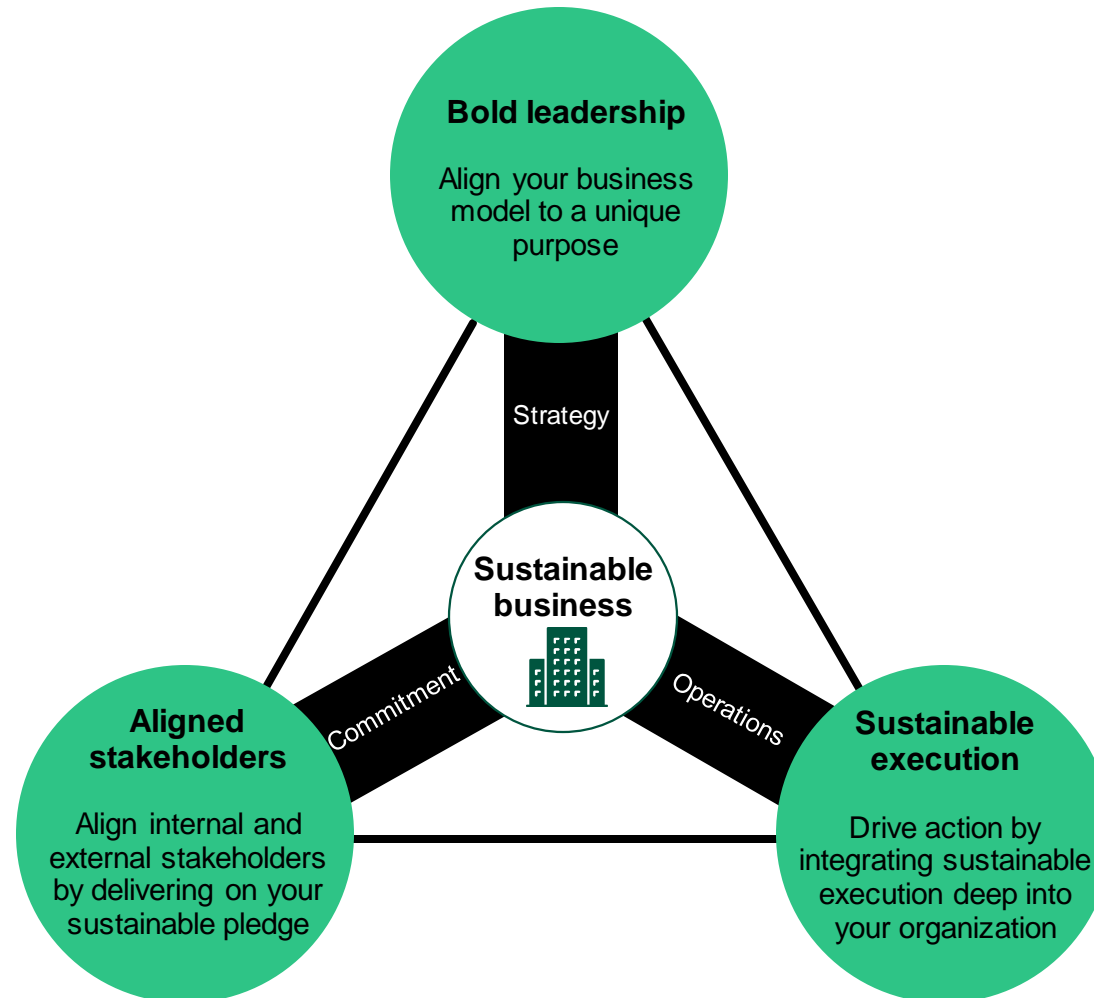
Have a Scope 3 target

Few firms are mature at integrating sustainability in their business but their technology leaders play a key role



Source: Forrester Research, Inc. Unauthorized reproduction, citation, or distribution prohibited.

Key success factors and best practices to embrace a multi-year sustainable transformation journey



Environmental Sustainability is high on the IT Agenda

BUSINESS AND TECHNOLOGY PROFESSIONALS

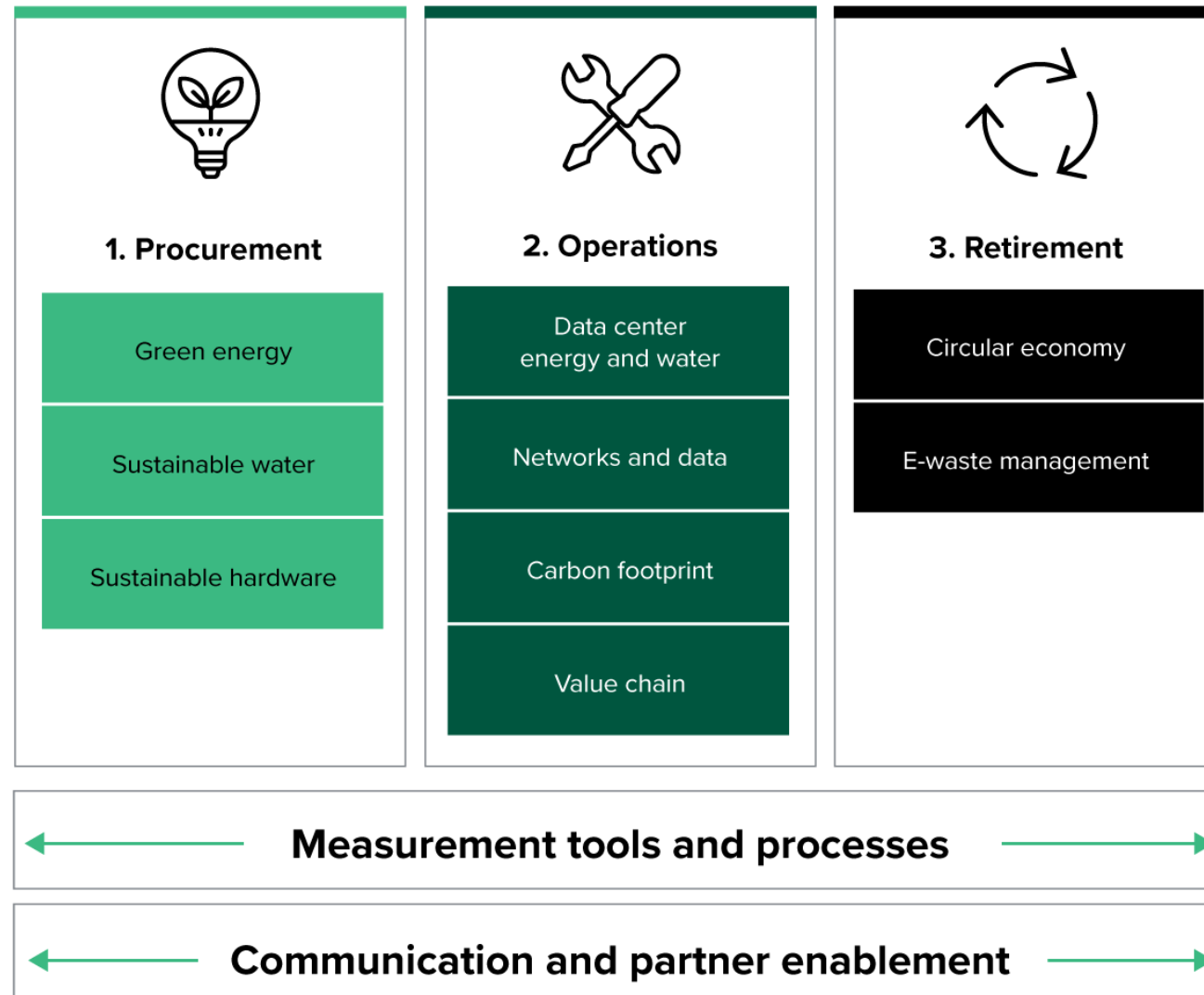
What priority will each of the following IT objectives be for your organization over the next 12 months?
Improve IT's environmental sustainability



SOURCE : Forrester Priorities Survey, 2022 based on data from respondent region : Europe

A holistic approach is necessary

FORRESTER'S SUSTAINABILITY FRAMEWORK



Jekyll and Hyde



The Forrester Tech Tide™: Environmental Sustainability

Business value: 1) improved management and governance; 2) enhanced intelligence and performance; 3) increased revenue and reduced costs; and 4) progress on climate change mitigation and environmental sustainability

Maturity: rate of product innovation, nature of the dominant vendors in the market, adoption by enterprise customers, scalability and applicability for enterprises, age of the technology, and lifecycle cost

Source: [The Forrester Tech Tide™: Environmental Sustainability, Q4 2020](#) Forrester report

© Forrester Research, Inc. All rights reserved.

High business value	INVEST Carbon and energy management E-waste management and circular economy services Onsite renewable energy generation Smart lighting Supply chain risk intelligence Sustainability management software	MAINTAIN Corporate renewable power purchase agreements Data center cooling solutions Enterprise collaboration and communication software Environmental, health, safety, and sustainability platforms Fleet management and telematics Smart building management solutions Water resource management
	EXPERIMENT Air-quality monitoring Carbon dioxide removal solutions Climate change and sustainability services Nature-based solutions Onsite energy storage and microgrids Sustainability ratings and ESG analytics	DIVEST Carbon-offset solutions
Low business value	Low maturity	High maturity

Firms prioritize value chain improvement, carbon footprinting & e-waste reduction and circular economy engagement

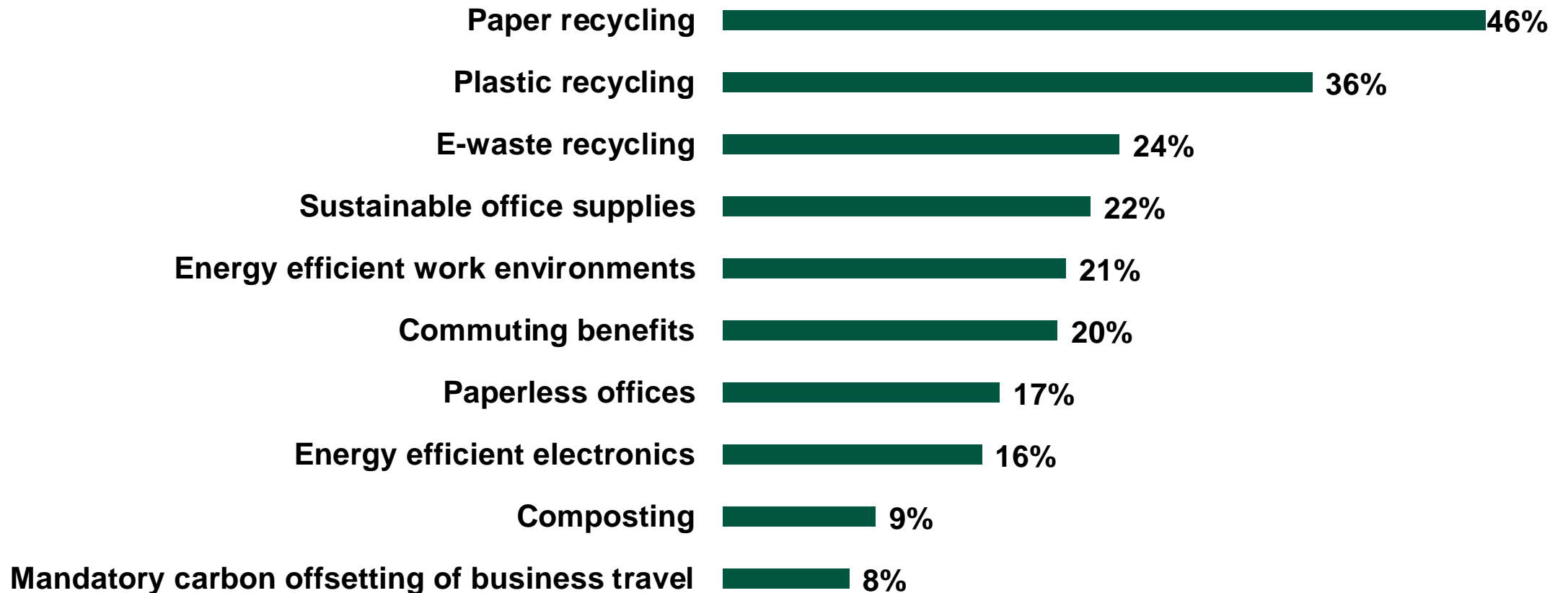
What are the key actions your organization is taking to achieve your objective of improving environmental sustainability? (Top 10)



Base: 227 Business and technology professionals who indicate that improving environmental sustainability is a priority for their organization

Employee experience will play a key role in adopting new sustainability programs

Which of the following sustainability programs does your employer offer? (Top 10)



Base: 3,707 European employees / Source: Forrester's Workforce Survey, 2022

Key Takeaways

- Technology leaders play a key role in embracing the green market revolution.
- They must contribute to their firm's multiyear sustainable transformation journey.
- Embracing circular economy, improving the sustainability of the value chain and your carbon footprint and e-waste are key actions to start with.

Thank You.

Thomas Husson
VP, Principal Analyst
06 62 31 36 40
@Thomas_Husson
thusson@forrester.com



BOLD
AT
WORK