The Supply Chain Advantage

Zeigo™

by Schneider Electric

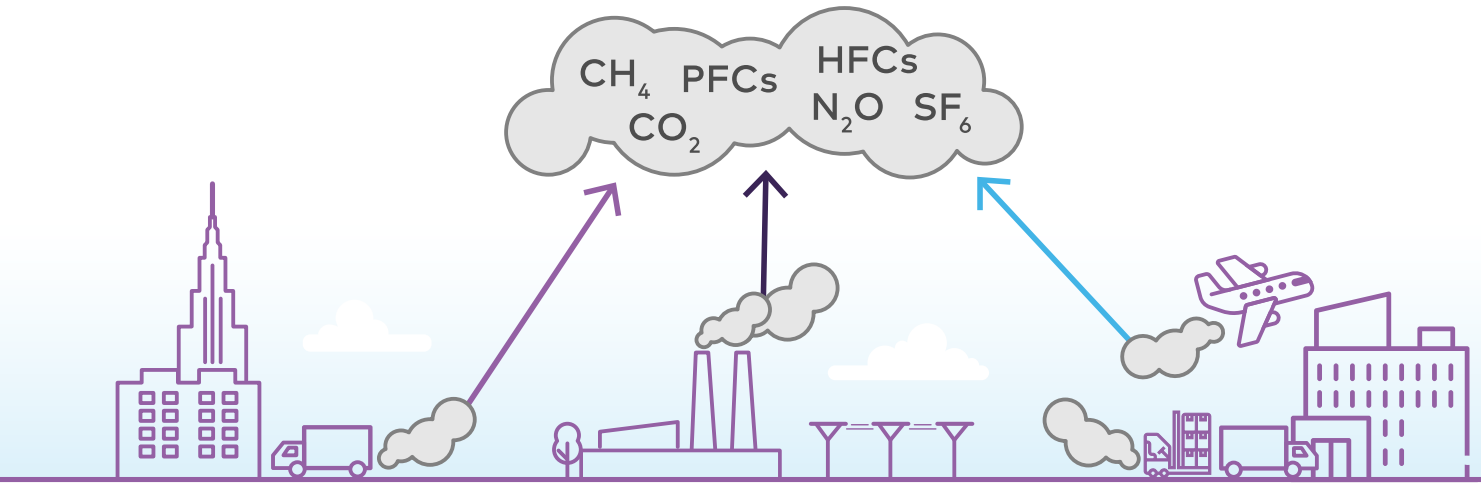
Turning Decarbonization Into A Competitive Edge

Contents

Navigating supply chain decarbonization

In recent years, supply chain decarbonization has gained significant attention as a critical component of corporate climate action. While many organizations have already taken steps to reduce carbon emissions from their own operations, the emissions embedded in supply chains often represent the largest and most complex part of the companies' environmental footprint. Understanding how these emissions are classified, how they occur, and how they can be measured and addressed is essential for building credible strategies for dealing with them. While Scope 1 and 2 relate to direct emissions and purchased energy, Scope 3 covers a wide range of indirect emissions across the value chain and is often the most significant source of climate impact.

Understanding Scope 1, 2 and 3 emissions



SCOPE 1

Includes direct emissions from sources owned or directly controlled by the organization. This means emissions generated from activities that the company carries out directly.

SCOPE 2

Covers the indirect emissions associated with the production of purchased or acquired electricity, steam, heating or cooling that the organization consumes. These emissions are generated when the energy is produced by external suppliers, but are accounted for by the organization that uses it.

SCOPE 3

Includes all other indirect emissions that result from the organization's activities but arise from sources not under its direct control or ownership. These emissions cover the entire value chain of the company, including both upstream (suppliers) and downstream (customers).

Challenges in measuring and reducing Scope 3 emissions

Scope 3 emissions represent a key component of a company's environmental impact, yet they are also the most complex to manage. Unlike Scope 1 and 2 emissions, which relate to operations and energy use within the organization's control, Scope 3 emissions arise from a broad range of indirect activities across the value chain – including suppliers, transportation partners and end users. As such, both measuring and reducing these emissions involve a number of strategic, technical and operational challenges.

Measuring Scope 3 emissions

One of the key difficulties in measuring Scope 3 emissions lies in the fragmented nature of the underlying data. Much of the information required to calculate these emissions accurately resides with third parties, such as raw material providers, logistics partners and external service suppliers. These stakeholders often do not monitor their own emissions, or they may be unwilling or unable to share the necessary data. This results in gaps or inconsistencies, especially when trying to aggregate emissions across multiple categories or suppliers.

In the absence of consistent primary data, companies are frequently forced to rely on estimates, industry averages, or third-party databases. While these sources can provide a general sense of emissions, they are not tailored to the specific circumstances of a company's supply chain, which limits both accuracy and comparability.

Moreover, the methodologies used to calculate Scope 3 emissions vary significantly in terms of complexity and precision. Some approaches require detailed lifecycle data for each product or activity, while others use broader financial or economic proxies. Selecting the most appropriate method involves balancing the need for detail with the resources required to obtain it.

The complexity of tracking Scope 3 emissions has also been recognized by regulators. In the United States, for instance, recent climate disclosure rules acknowledge that these emissions are harder to measure, as they often come from third-party activities throughout a company's value chain. Because of this, companies would only be expected to report Scope 3 emissions if they are considered material or if their reduction targets already include them. The rules align closely with the GHG Protocol and suggest using the same organizational boundaries as financial reporting, making it easier for companies to present consistent and reliable information.

Another common challenge is the lack of transparency beyond direct suppliers. In complex, global supply chains, companies often have little or no visibility into second or third tier suppliers, even though these may represent a significant portion of the overall carbon footprint.

Furthermore, measuring Scope 3 emissions is rarely a one-off task. Supply chains evolve over time – new suppliers are introduced, products change, logistics networks shift – meaning emissions data must be regularly updated and reassessed to remain relevant and useful.

Reducing Scope 3 Emissions

While measurement is a necessary first step, the path to actually reducing Scope 3 emissions is even more demanding. Because these emissions stem from external entities, organizations are limited in the actions they can take directly. They must rely on influence, collaboration and long-term engagement to drive behavioral change across their value chains.

Encouraging suppliers and partners to adopt more sustainable practices is not always straightforward. Many smaller companies lack the capacity or incentive to invest in low-carbon technologies or track their environmental performance. Even among larger suppliers, competing commercial priorities may delay or prevent change.

Financial and operational barriers also play a role. Sourcing low-carbon alternatives, redesigning products to reduce downstream emissions, or transitioning to more sustainable logistics systems may require significant upfront investment. Without clear regulatory or market incentives, it can be difficult to justify these decisions from a short-term business perspective.

Additionally, it is often challenging to track the actual impact of Scope 3 reduction initiatives. Even when policies such as sustainable procurement or product eco-design are implemented, quantifying the emissions savings is difficult without a robust data infrastructure and long-term monitoring. Implementing software solutions can significantly enhance the tracking and management of Scope 3 emissions by providing accurate data collection, simplified progress reports, and comprehensive analytics.

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What is driving decarbonization: Trends and policies shaping the future

As the world transitions towards a low-carbon economy, companies are under increasing pressure to take responsibility not only for their direct emissions, but also for the emissions generated throughout their value chains. Supply chain decarbonization has therefore become a central priority – both from a regulatory and a strategic perspective.

Most of an organization's environmental impact typically occurs outside their immediate operations, within their relationships with suppliers, transport partners and end users. Emissions from purchased goods, outsourced production, logistics and product use often make up the largest share of a company's carbon footprint, typically around 90%, depending on industry. As expectations rise from regulators, investors, and customers, companies are being called to account for these indirect emissions and to take meaningful steps to reduce them.

Corporate Sustainability Reporting Directive (CSRD)

This shift is strongly reflected in European legislation. The Corporate Sustainability Reporting Directive (CSRD) requires companies to disclose not only their operational impacts, but also those arising from their value chain, including upstream suppliers and downstream distributors and users, placing clear emphasis on Scope 3 emissions. Where complete data is not available, companies must explain the steps they are taking to improve transparency, reinforcing the need for active engagement with supply chain actors. In an attempt to create a more favorable business environment and boost the competitiveness of EU companies, the European Commission adopted the Omnibus Simplification Package in February 2025. It introduced measures to streamline sustainable finance reporting and due diligence regulations, seeking to reduce reporting burdens for both SMEs and large companies.

EU Emissions Trading System (EU ETS)

In parallel, the EU Emissions Trading System (EU ETS) links emissions performance to economic incentives. Organizations seeking benefits such as free carbon allowances must demonstrate measurable progress in reducing greenhouse gas emissions. The scheme is also expanding to cover more sectors, sending a clear message that emissions from the supply chain are increasingly falling within regulatory scope.

> "Ultimately, decarbonizing the supply chain is not just a compliance task – it is a way to build long-term value."

Sustainable Finance Disclosure Regulation (SFDR)

Meanwhile, the Sustainable Finance Disclosure Regulation (SFDR) highlights the financial importance of managing environmental risks, including those related to emissions in the supply chain. It requires financial actors and companies alike to integrate sustainability risks into decision-making and to disclose how their activities may contribute to or mitigate such impacts.

Together, these frameworks underscore the growing regulatory demand for emissions transparency, reduction and accountability across the full value chain. Companies are expected not only to report on their environmental impact, but to do so in a consistent and comparable way. They must also show progress over time, even in cases where complete supply chain data is not yet available. Deeper supplier collaboration, greater transparency and more robust internal systems are the keys to achieving the frameworks' goals.

This growing need for consistency and transparency is also reflected outside the EU. In the United States, for example, new disclosure requirements encourage companies to report their emissions across all three scopes using standard methods, broken down by type of greenhouse gas and shown both in total and by intensity. These developments, which build on globally-recognized frameworks, highlight the shared expectation that companies understand and report their emissions across the full value chain in a way that is clear, structured and aligned with financial disclosures.

The current legislative framework in the United States is far more dynamic and unpredictable. As of early 2025, federal and state legislation concerning decarbonization and sustainability reporting mandates are increasingly diverging in their approaches. At the federal level, the Securities and Exchange Commission's climate rules did not enter into force and a number of rules and regulations adopted during the previous administration are in the process of being rolled back. These include the clean power plant rule that seeks to reduce carbon emissions from power plants and the greenhouse gas emissions standards for heavy- and light-duty vehicles produced from 2027 onwards. Climate reporting is the focus of state-level legislation, primarily led by California with its Climate Corporate Data Accountability Act, with similar bills being debated in Illinois, New York and Washington.

At the same time, market expectations have evolved. Investors and financial institutions place increasing emphasis on climate-related risks and sustainability performance. Businesses that cannot demonstrate action on supply chain emissions may find it harder to attract capital or remain competitive. On the other hand, those that act early will be better placed to respond to future requirements, improve resilience and lead in a fast-changing regulatory and financial environment.

Ultimately, decarbonizing the supply chain is not just a compliance task – it is a way to build long-term value. It helps reduce exposure to carbon-related costs, strengthens stakeholder confidence and ensures that sustainability strategies are credible and comprehensive. As more sectors and emissions sources fall within the scope of formal monitoring and reporting, organizations that take full ownership of their carbon footprint – from raw materials to final delivery – will be best positioned for success in a net-zero future.

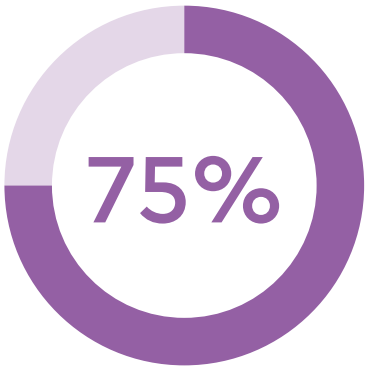
> "Across industries, a common trend is emerging - decarbonization is as much about rethinking supply chains as it is about operational efficiency."

Current state of supply chain decarbonization

As of March 2025, data from the Net Zero Tracker platform shows just over 75% of the participants in the Forbes Global 2,000, the world's largest publicly-listed companies in terms of revenue, have official net-zero commitments. The 50% threshold was passed only a year earlier, which testifies to the dynamic development of decarbonization efforts in the global economy.

While companies primarily focus on reducing direct Scope 1 and 2 emissions, further progress is needed to build truly sustainable global supply chains. The latter generate around 60% of all carbon emissions worldwide. However, only 40% of the largest companies have covered Scope 3 emissions in their decarbonization targets.

We have examined the strategies of the leading players with US or European footprint in 15 major industries to understand how they tackle the decarbonization challenge and provide an overview of the best universal and industry-specific practices.



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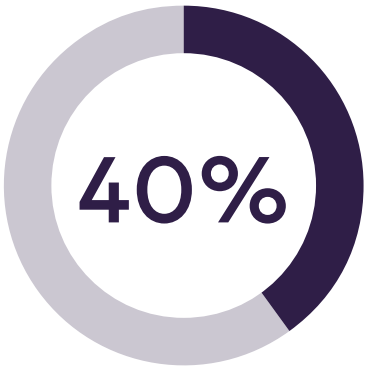

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Roadblocks to a greener supply chain

Decarbonizing supply chains presents significant challenges, as companies strive to meet climate protection targets and align with the goal of achieving climate neutrality by 2050. The challenges encountered by companies in the industries examined in the current study include:

Complexity of multi-tier supply chains and inconsistent carbon accounting

Decentralized supply chains make comprehensive tracking and effective reduction strategies challenging. Many suppliers and distributors, especially smaller ones, do not measure at all or account in obscure or inconsistent ways for GHG emissions. Carbon reduction software like Zeigo Activate helps small and medium-sized enterprises, as well as suppliers of any size, measure their carbon footprint without the need to take on vast resources.

A major hurdle in supply chain decarbonization is addressing Scope 3 emissions, which account for the bulk of total emissions in the value chain. These emissions are particularly difficult to track and reduce due to the lack of reliable data across the supply chain. This challenge can be tackled by using the Zeigo Hub platform, which provides tools to suppliers of any size to measure their carbon footprint accurately.

Lack of global regulatory standardization

Carbon accounting practices are not yet global and legislation continues to develop around emissions and offsetting. As it is hard to predict the ramifications of policies and regulations, especially across geographies, significant financial risk is involved in the selection of technologies and markets.

Financial and investment barriers

Decarbonization solutions typically require heavy upfront investments and may involve downtime during implementation.

Replacing highly efficient existing processes with emerging sustainable technologies is capital-intensive and often not competitive under current market conditions. The gap can be bridged through public funding initiatives subsidizing the transition toward low-carbon operations.

Organizational commitment and operational challenges

Effective decarbonization, especially of Scope 3 more or less complex options to ensure that energy strategies are both sustainable and cost-effective can be a major challenge. The Zeigo Network sustainability solutions marketplace, for example, allows emissions, requires company-wide commitment and close collaboration with suppliers and other partners along the value chain. Insufficient organizational focus and short-term decision-making of one or more of the stakeholders involved are detrimental to long-term decarbonization initiatives.

Renewable energy and electrification complexities

Renewable electricity is a key element of decarbonization, but selecting the most appropriate solution involves navigating various advantages and drawbacks. Deciding between Power Purchase Agreements (PPAs), on-site solar investments, or other corporations to deepen their knowledge of renewable energy and clean technology and get connected to clean energy providers.

Transitioning to electrified mobility or green fuels requires significant investments in infrastructure and access to reliable sustainable energy sources, along with considering various technological and regulatory factors.

Leading by example: decarbonization strategies from top organizations

Automotive: Accelerating Toward Low-Carbon Mobility

Decarbonization Strategy: Urged by new regulatory requirements and generous market incentives, especially in the European Union, the major players in the Automotive industry have launched a shift toward sustainable mobility by integrating decarbonization across their entire value chains.

Key Initiatives: Companies have been investing heavily in electric vehicles, with strategies that target both market penetration and improved vehicle efficiency, through committing to ambitious carbon emissions reduction per vehicle. Sustainable manufacturing is another key pillar, as seen in facilities powered by renewable energy and integrating advanced energy storage and renewable solutions into their operations. The industry is also leveraging innovations such as energy-saving technologies and recycling initiatives, where materials are repurposed in production processes.

Consumer Packaged Goods: How Leaders Are Tackling Emissions Beyond the Factory

The Consumer Packaged Goods industry is undertaking comprehensive decarbonization initiatives with a marked emphasis on Scope 3 emissions alongside continued improvements in Scopes 1 and 2.

Net-Zero Target: The vast majority of leading industry players, both in Europe and in the United States, have adopted net-zero roadmaps with the vision to achieve full carbon neutrality across their supply chains by 2040-2045 at the latest. For example, Procter & Gamble has committed to achieving net-zero greenhouse gas emissions across its supply chain by 2040 through sustainable sourcing of raw materials, energy efficiency improvements in manufacturing and the decarbonization of logistics.

While direct greenhouse gas emissions in the industry have generally seen the fastest progress in terms of reduction, mainly through utilizing renewable electricity in the production process, significant greenhouse gas (GHG) emissions also come from Scope 3 activities, such as use of sold products, purchased goods and services, end of life treatment of sold products and upstream transportation and distribution.

Procter & Gamble has committed to achieving net-zero greenhouse gas emissions across its supply chain by 2040

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Key Initiatives: Efforts are focused on the circularity and recyclability of packaging materials and reducing transportation emissions through the use of electric or fuel-efficient vehicles. Industry leaders are increasingly engaging with suppliers to drive low-carbon practices throughout the supply chain via initiatives like supplier climate programs, usage of innovative lower-GHG ingredients, support for regenerative agriculture and reducing emissions from refrigeration.

Extractives and Minerals: Net-zero by Mid-century

As one of the industries with the strongest carbon footprint globally, Extractives and Minerals is particularly determined to pursue its transformative decarbonization agenda.

Net-Zero Target: All leading industry players in Europe and the United States have committed to becoming net-zero by mid-century, in line with the Paris Agreement requirements, and some have set themselves even more ambitious goals to reduce their GHG emissions to the level of carbon neutrality as early as 2040, based on the analysis of data on the Net Zero Tracker platform.

Key Initiatives: Scope 1 emissions dominate the GHG structure of oil, gas and minerals companies, which is why decarbonization efforts for internal operational practices are particularly important. A key focus is set on carbon capture and storage, while there is also a strong push to electrify mining equipment, complemented by a shift toward renewable energy sources to power extraction and processing operations. Most companies have already made significant progress with regards to meeting their interim targets, especially the ones concerning cuts of methane emissions and flaring intensity. Intensive research and development activity is also underway, especially concerning the deployment of renewable hydrogen.

Financials: Investment in Sustainable Practices and Energy Efficiency

The Financials industry is actively transforming its operations and investment practices to support a low-carbon economy and catalyse the energy transition.

Key Initiatives: The major European and US banks and asset managers are focused on reducing the carbon intensity of their investments through integrating climate risks into decision-making and divesting from carbon-intensive sectors and promoting sustainable business practices within their own operations.

In parallel, financial institutions are pursuing energy efficiency measures in their global real estate portfolios. They also focus on their supply chains, requiring a significant proportion of vendors to adopt science-based emissions reduction targets and working together with clients to support their carbon footprint reduction efforts, thus addressing the challenge of Scope 3 GHG emissions reduction.

Food and Beverage: Forerunner of Scope 3 Carbon Footprint Reduction

Net-Zero Target: The Food and Beverage industry belongs to the forerunners of decarbonization, with all examined leading companies having declared net-zero targets to be achieved between 2040 and 2050.

Decarbonization Strategy: Companies are focusing their decarbonization efforts on the entire value chain, with a significant emphasis on Scope 3 emissions that dominate the overall footprint.

Key Initiatives: Reducing emissions in the supply chain through partnerships with farmers to adopt sustainable practices and regenerative agriculture is crucial, as farming is responsible for a large portion of the industry's indirect emissions. The other two largest emissions drivers for most companies in Food and Beverage are packaging and third-party transportation and distribution. Reduction measures in these areas are primarily focused on the use of recyclable or biodegradable materials, improving packaging design to reduce waste, enhancing efficiency and reducing carbon intensity of third-party fleets. In addition to shifting to renewable energy sources in their production facilities and distribution networks, most companies also collaborate with their suppliers to expand the use of renewable electricity and fuels in the supply chain, particularly in agricultural processing, to reduce their GHG footprint.

Government and Municipality: Embracing Green Mobility and Energy Efficiency

Decarbonization Strategy: The Government and Municipalities sector across Europe and the United States has increasingly been embracing comprehensive decarbonization strategies that integrate sustainable procurement, green mobility, energy efficiency and renewable energy utilisation.

Key Initiatives: Frequently implemented policies include phasing out fossil fuel-based equipment, retrofitting existing buildings to reduce emissions and leveraging green procurement guidelines to source sustainable materials. Legislative initiatives at state and local level, varying from energy tax credits to annual carbon dioxide accounting, are of crucial importance to accelerate decarbonization. The development of state and municipal climate and decarbonization strategies is also becoming common.

Healthcare: Sustainable Procurement and Facility Decarbonization

Healthcare is estimated to account for approximately 4% of the global carbon dioxide emissions. Hospitals have the highest energy intensity among all public buildings and emit 2.5 times more greenhouse gases than commercial buildings.

Key Initiatives: Against this backdrop, the healthcare industry has been increasingly prioritizing decarbonization across its facilities, operations and supply chains. Key actions for the reduction of Scope 1 and 2 emissions are focusing on energy efficiency and transitioning to renewable energy sources in hospitals, as well as discontinuing the usage of the highly potent greenhouse gas desflurane.

Decarbonization Strategy: Sustainable procurement of medical supplies, pharmaceuticals, and devices is the most common strategy for reducing Scope 3 emissions in healthcare. Many providers also collaborate with suppliers committed to cutting their own emissions.

Infrastructure: Focus on Innovative Equipment

Leading players in the Infrastructure industry have embraced holistic decarbonization strategies that span the entire project lifecycle from design and construction to operation.

Net-Zero Target: The almost universal objective of achieving net-zero emissions across all scopes by mid-century is generally supported by interim near-term targets, such as reducing emissions from construction equipment by 2030, for example. The emphasis on equipment results from the fact that around 90% of direct emissions stem from fuel combustion on construction sites.

Key Initiatives: To address this, vendors are testing and deploying a suite of innovative solutions, including hybrid and electric machinery, solar-powered facilities and energy storage systems.

Beyond direct operations, reducing emissions embedded in the supply chain is also in focus. This includes efforts to decarbonize the production of carbon-intensive construction materials and mitigate downstream emissions from asset use. Furthermore, sophisticated tools have been developed to predict the carbon footprint of projects, enabling more accurate planning and support for clients' decarbonization targets.

Manufacturing: Addressing Carbon Footprint By Renewable Energy and Supply Chain Collaboration

Decarbonization Strategy: Manufacturing companies are employing a mix of renewable energy adoption, supply chain collaboration, product innovation and operational efficiency improvements to address their carbon footprints comprehensively and achieve their ambitious net-zero targets.

Key Initiatives: Scope 1 and 2 emissions reduction is primarily addressed through renewable energy integration in operations, including entering into long-term power purchase agreements (PPAs), which are often extended to support supply chain partners. For example, in 2024, three sponsors of Schneider Electric's Energize supply chain decarbonization program - Takeda, Teva Pharmaceutical and UCB, along with five industry suppliers, signed a multi-buyer PPA with developers Zelestra and Bruc, adding more than 280 MW of new solar capacity to the European grid. This multi-buyer PPA exemplifies Energize's mission of increasing access to renewable electricity for the pharmaceutical and healthcare supply chain, while mitigating the overall environmental impact of the industry.

Scope 3 indirect emissions, which in some cases represent up to 99% of the manufacturers' total emissions, are tackled via various supply chain sustainability programs aimed at helping suppliers and distributors manage their carbon footprint responsibly.

In addition, emissions that are not technically possible to eliminate have been balanced by carbon offsetting initiatives by many companies.

Pharmaceuticals: Tackling Scope 3 Emissions Through Supply Chain Engagement

Net-Zero Target: Most global leaders in the Pharmaceuticals industry have announced commitments to achieving net-zero ahead of the Paris Agreement requirements, between 2040 and 2045. Scope 3 emissions dominate the companies' greenhouse gas footprint with a share of 80% on average, as estimated by leading industry players.

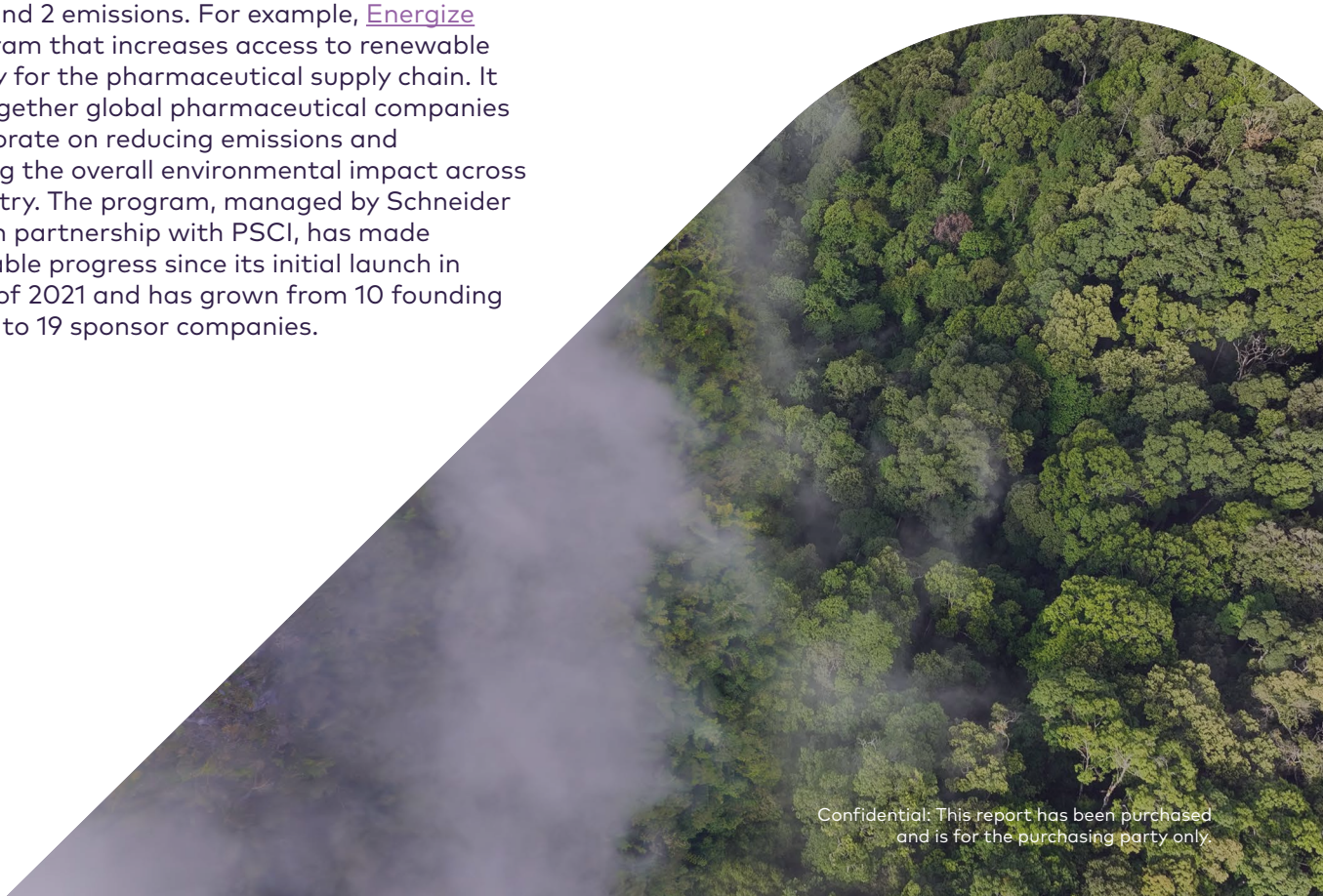
Key Initiatives: In order to improve the supply chain environment, health and safety management across the industry, a group of pharmaceutical companies established the Pharmaceutical Supply Chain Initiative with a set of principles and relevant practices that any business operating within the pharmaceutical supply chain is expected to uphold. Areas of collaboration for decarbonization between end manufacturers and suppliers include primarily raw materials sourcing, packaging optimization, transportation and logistics. At the manufacturing level, companies are upgrading facilities to be more energy efficient, incorporating renewable energy sources and leveraging technologies such as waste heat recovery and green chemistry to reduce Scope 1 and 2 emissions. For example, Energize is a program that increases access to renewable electricity for the pharmaceutical supply chain. It brings together global pharmaceutical companies to collaborate on reducing emissions and mitigating the overall environmental impact across the industry. The program, managed by Schneider Electric in partnership with PSCI, has made considerable progress since its initial launch in October of 2021 and has grown from 10 founding sponsors to 19 sponsor companies.

Renewable Resources and Alternative Energy; Wide Deployment of Decarbonization Strategies

Decarbonization Strategy: The renewable energy sector is at the forefront of decarbonization, with companies driving renewable energy projects while striving to reduce emissions throughout their own supply chains by sourcing low-carbon materials and implementing green sourcing practices.

Net-Zero Target: Many industry leaders have committed to net-zero emissions by mid-century, with some targeting 2040 or even earlier, by addressing Scope 1, 2 and 3 emissions.

Key Initiatives: Key initiatives include large-scale investments in offshore and onshore wind, solar and other renewable projects. Decarbonization strategies are being widely deployed across the industry. Multiple companies integrate Life Cycle Assessments to rigorously measure the environmental footprint of their projects, from raw material extraction to installation, operation and decommissioning.



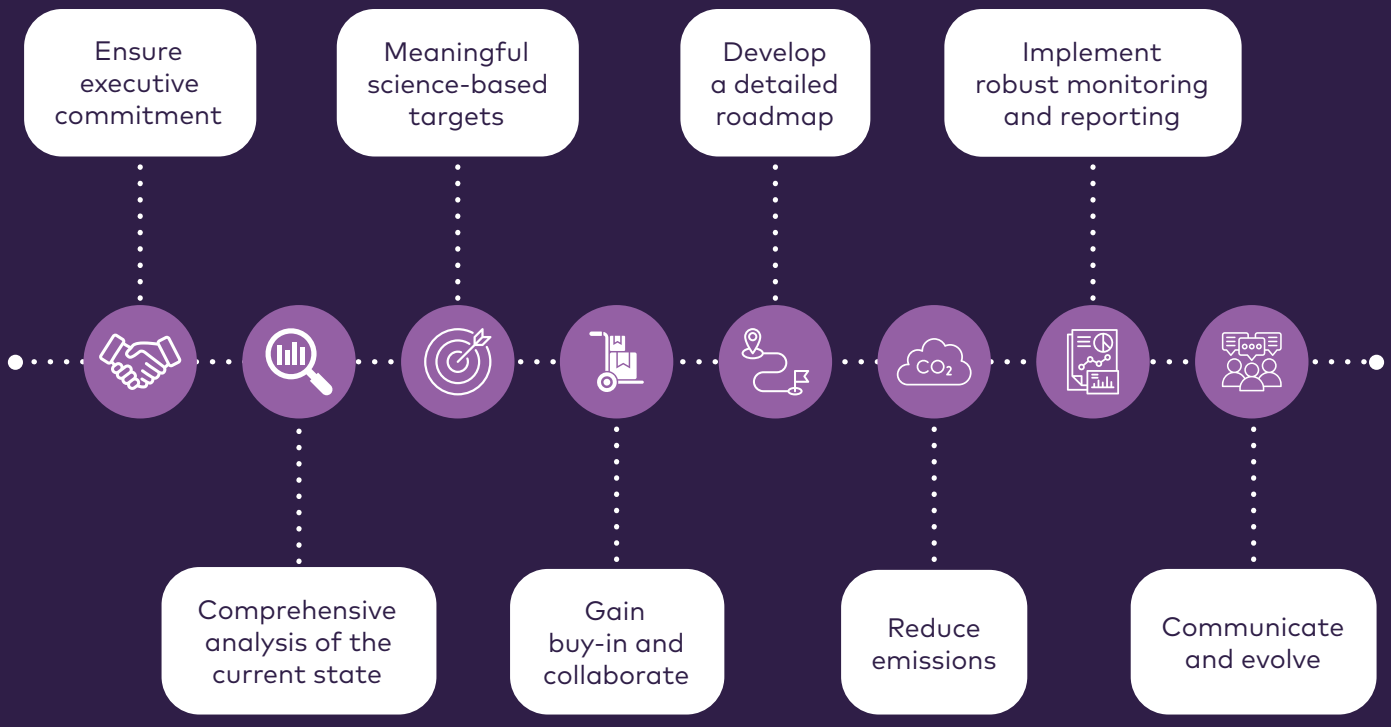
Resource Transformation: Carbon Reduction All the Way From Sourcing to Disposal

The products created by the Resource Transformation industry are deeply embedded in the world's largest value chains, such as manufacturing and construction. The industry is responsible for about 2% of the total global GHG emissions.

Decarbonization Strategy: Companies operating in the Resource Transformation and chemical industry strive to implement an integrated decarbonization strategy that spans the entire value chain from raw material sourcing through production to product use and end-of-life disposal. They are focused on enhancing production efficiency and transitioning to renewable energy sources, while also developing innovative low-carbon production processes. However, emissions in this industry are considered more challenging to abate, as some reactions require temperatures that cannot yet be efficiently achieved without combustion of fossil fuels.

Services: Efforts Focusing on Upstream and Downstream Emissions

Decarbonization Strategy: The Services industry is one of the most diverse parts of the global economy. Hence, decarbonization progress and perspectives vary dramatically between its segments. In a nutshell, service companies tackle decarbonization challenges through a mix of supplier engagement, operational efficiency and digital transformation.



Software solutions accelerating supply chain decarbonization

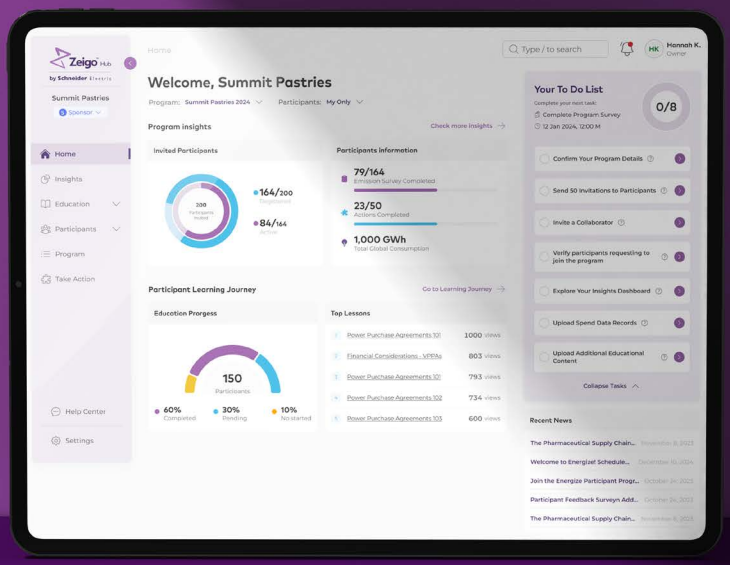
Supply chain digitization has been a hot topic globally across industries. Companies increasingly utilize solutions like AI-driven demand forecasting, cloud-based supply chain management platforms, flexible transportation management systems, real-time inventory management systems and collaborative supply chain networks.

Software solutions have emerged as a crucial enabler of supply chain decarbonization by helping businesses track, optimize and reduce their carbon footprints through data-driven insights, especially as more and more granular data is being obtained. Carbon accounting software platforms and carbon calculators allow companies to maintain compliance and accuracy by translating financial data into a measurable carbon footprint. As sensor technology rapidly permeates the supply chain, it is possible to accurately calculate and track this at the product level and also identify areas along the supply chain for decarbonization improvements. Advanced analytics and AI further enhance decision-making by processing large amounts of data to predict and optimize future emissions. Increased visibility across the entire supply chain also ensures companies can quickly identify high-emission areas.

Sustainability software platforms encourage supplier engagement and provide transparency and collaboration opportunities to ensure decarbonization efforts are aligned across the supply chain. They help companies track supplier emissions, sustainability certifications and progress on reducing their environmental impact. Additionally, some platforms offer tools to manage carbon offset purchases by investing in verified offset projects.

The arduous task of supply chain decarbonization is simplified by sustainability software solutions like the innovative Zeigo suite, developed by Schneider Electric. The flagship product Zeigo Hub plays a pivotal role in managing and reducing value chain emissions - one of the most challenging aspects of corporate sustainability. With supply chains growing ever more complex, capturing accurate emissions data and engaging suppliers remain critical hurdles. Zeigo Hub addresses these challenges by streamlining data collection, organization and analysis across the entire supply chain.

"Sustainability software platforms encourage supplier engagement and provide transparency and collaboration opportunities to ensure decarbonization efforts are aligned across the supply chain."



At its core, Zeigo Hub enables organizations to gather detailed emissions information from actors along the value chain. Its robust data management capability creates a clear map of emissions hotspots and trends, allowing organizations to monitor progress over time and identify the most impactful areas for intervention.

The platform also fosters active supplier engagement by providing suppliers with tools and resources to ensure that decarbonization is a collaborative industry-wide pursuit. Another significant benefit of Zeigo Hub is its ability to pinpoint cost-effective solutions for emissions reduction. Furthermore, the software guides users through the complexities of emissions reporting, ensuring adherence to both local and international sustainability standards.

Decarbonization programs tailored to various industries have been implemented through Zeigo Hub. For example, the Energize program in the pharmaceutical industry was used by companies like AstraZeneca, Novartis and GSK to collaborate and help suppliers adopt renewable energy. This program aggregates renewable energy purchases, streamlining the process and enabling smaller suppliers to benefit from economies of scale.

Through Zeigo Hub, suppliers gain access to tools for procuring, tracking and measuring energy usage and emissions. Similarly, in partnership with Intel and Applied Materials, the Catalyze program for the semiconductor industry helps suppliers source clean power and engage in other decarbonization initiatives.

Engaging with suppliers and collecting emissions data can be transformed into a streamlined process through digital innovation. Zeigo Hub exemplifies how advanced software solutions make it possible to monitor supplier progress seamlessly, identify cost-effective emissions reductions and empower corporate sponsors to address their value chain emissions more effectively. Tools like Zeigo Hub represent a forward-thinking approach to integrating sustainability across value chains and accelerating the journey toward a net-zero future.

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Overview of supply chain decarbonization

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