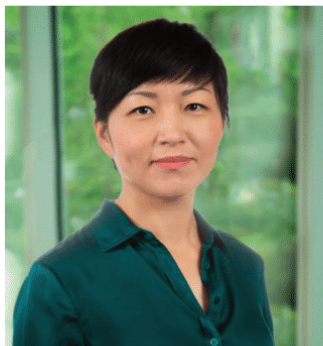


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Jane Ren
Chief Executive Officer

Jane Ren is the CEO of Atomiton, a pioneer of data & analytics based solutions that help companies achieve sustainability transformation using strategic and operational insights. Jane led the digital transformation at General Electric as the Chief Business Architect before she joined Atomiton.

A Data-driven Approach to Sustainability and ESG Practices

Improving sustainability and ESG practices is good for business and the environment. It's also becoming an imperative to accurately track and measure sustainability performance, especially under new rules proposed by the SEC. Meeting these standards will require overcoming several significant obstacles. We spoke with Jane Ren, CEO of Atomiton, to learn more.

What data challenges do companies face in meeting ESG goals?

For organizations to understand their performance toward meeting sustainability targets, they have to be data-driven. The first challenge is data accessibility, whereby the data required to quantify sustainability often resides in different silos and is not recorded in ways conducive to carbon accounting. There are close to 20 emission categories defined by the Greenhouse Gas Protocol, the international standard for quantifying corporations' carbon footprints. If the organization has multiple facilities, it is likely that each site is recording and storing relevant carbon data in different formats—if it is being collected at all. It takes valuable time and manual effort to compile all these sources of data.

The second challenge is data traceability. A company may be collecting greenhouse gas data points for Scope 1 (direct emissions from operations) and Scope 2 (indirect emissions from purchased energy), but they cannot say which methods they used to make which specific calculations, or from where the data was imported. For example, if they use a fleet of trucks for transport, they need to calculate miles driven, the weight of the goods, the size of the truck, etc. If the method isn't documented, that poses a quality and credibility issue. It becomes much harder to trace how they arrived at these data points.

Another challenge is the lack of actionable insights. An organization might spend a great deal of effort to gather and quantify data on emissions, but it doesn't naturally lead to answers [to questions] such as: What actions should we take to reduce those emissions? Most of the time is spent reactively reporting versus proactive action. Data that is manually pulled together is difficult to mine for insights, especially when it is coming from different silos.

Why is traceability and auditability in sustainability so essential?

The sustainability conversation has changed. In the past, it was more for environmental compliance or a better brand image. But now, with the urgency of combating climate change, people are realizing there is a concrete financial risk to the economy and to corporations, especially those that are publicly traded. For example, if your products use water as a key ingredient and the water source may become compromised as a result of climate-related drought, that will affect your risk profile. Investors are pressuring businesses to disclose data that can help them better understand companies' climate risk profiles. This includes good quality data on their carbon emissions.



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Companies are also facing indirect pressure from their customers. For example, Scope 3 emissions involve the value chain. We're seeing customers starting to tell their suppliers: If your emissions data isn't transparent, it will be difficult for us to do business with you.

What should organizations do now to prepare?

The new SEC rule would require companies to quantify their Scope 1 and 2 carbon emissions, and for some companies Scope 3 as well. They would have to disclose this data and then, in 1-2 years, provide limited assurance on their Scope 1 and Scope 2 data. Even if your company is privately held, if your biggest client is public and they're trying to improve their carbon emissions, your organization would likely be under pressure to demonstrate sustainability, too.

Companies have a choice to look at this reactively as a burden or proactively as an opportunity. Measurable sustainability practices are a competitive differentiator and can help the business get ahead of any public or regulatory pressures.

We recommend that companies start with a vision for their ESG and sustainability targets. [Then] develop an emissions profile of their organization and create an inventory of sources where carbon is generated. It might start with your energy bill and extend to the materials sourced throughout your supply chain.

The CIO has an important role in integrating all those data silos where emissions data exists. They need to find gaps and reduce data quality issues so that the data is more easily managed. Understand that this is not a one-time exercise; you need to be able to account for, measure, and manage this data over the long term.

How can Atomiton help with attaining ESG goals?

Our platform uses data sourcing automation technologies and segments the source data from the emissions data. This provides process integrity and improves data traceability. It also reduces the possibility of data entry errors.

We also use technology to accurately account for carbon. These capabilities are built into our platform via a framework that is measurable, so that accounting is quantifiable and the process is consistent and structured.

In addition, the platform includes data analytics to help companies reduce carbon emissions, for example, by providing actionable insights into how to move away from generating tons of solid waste, CO2, or methane in a specific geographic location. Our platform has generated proven results in Scopes 1, 2, and 3 where companies have shown improvements in their emissions of anywhere between 15% and 30% against their historical performance.

Start making a measurable, sustainable impact today. Click [here](#) to book a demo.



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