



## Data and AI Are the Missing Links on the Path to Net Zero

To BCG's network around the world,

More and more companies are making commitments to reduce emissions, which is very encouraging. In fact, 96% of the organizations [we surveyed](#) in 2021 across nine major industries worldwide had set targets for reducing emissions in at least one scope.

Living up to these challenges, however, has been difficult. Only 11% of companies have cut emissions in line with their goals over the past five years.

Business leaders know that failure is not an option. The sustainability performance of a company will soon be as important to its key stakeholders as its financial metrics, and early movers can seize significant advantage. So why is progress so slow?

A large part of the problem is the inability to successfully measure, monitor, and control emissions across the value chain. According to a [report](#) jointly produced by BCG and CDP (formerly Climate Disclosure Project)—the world's leading organization for carbon reporting—a company's supply chain generates 11.4 times more emissions, on average, than its direct operations. But few, if any, companies assess their impact so comprehensively.

Companies urgently need to accurately gather data covering the full scope of emissions, to create a baseline from which they can reduce their overall footprint. A passionate team at BCG recognized this challenge early on and last year created [CO2 AI](#), an end-to-end, AI-powered solution that organizations in all industries can deploy to measure, simulate, reduce, and track their environmental footprint across

their supply chain.

Getting to net zero will take collaborations of all kinds, so we are pleased to have recently launched two of what we hope will be the beginning of many relationships to further develop the capabilities of CO2 AI and other digital solutions.

The first is a [partnership with SAP](#). By combining BCG's capabilities with the reach and solutions of SAP, the global giant in enterprise application software and a part of almost every supply chain, we'll be able to help companies build supply chain transparency and sustainably transform their operations. Together, we offer a range of innovative solutions focused on zero emissions, zero waste, and holistic steering and reporting for compliance.

The second is a partnership with CDP that will enable transparency across supply chains through a unique joint platform called [CO2 AI Product Ecosystem](#). This product will enable companies to share supply chain emissions data in a secure, auditable, and action-oriented manner, setting standards among ecosystem participants.

While these partnerships will take time to reach their full potential, we have to start now, and we have to move fast. We believe that collaborations like these can help accelerate your sustainability journeys, and we're excited to engage with you.

Until next time,

A handwritten signature in black ink, appearing to read 'Christoph'.

Christoph Schweizer  
Chief Executive Officer

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**Further Reading**



### **BCG Partners with SAP on Sustainability**

BCG and SAP have partnered to deliver tech-enabled, end-to-end sustainability transformations that create business value for clients.

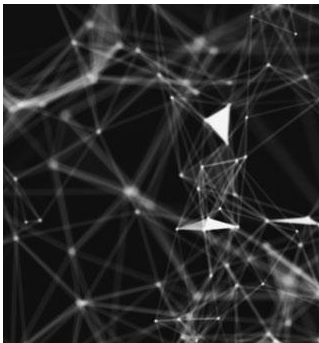
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### **Let Science Be the Guide for Net-Zero Targets**

Unless companies' climate targets align with the latest science, they won't be sufficient. Leaders embrace bold action internally, within their value chains, and beyond.

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### **War on Ukraine: Global Update and View on Energy Impact**

BCG's latest Executive Perspective dives into the economic impact of the invasion of Ukraine on the world's energy supply—and the implications for companies, governments, and consumers.

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