

2024 Fujitsu SX Survey

Charting a course for change

Sustainability Transformation in Europe:
Leading the way globally



Executive summary

The urgency for Sustainability Transformation (SX) is well understood – so much so that 70% of global organization leaders consider it to be their number-one business priority. Good news on the surface. Yet the reality is that only 26% of those leaders believe they are making real progress in their SX strategies that will create deep and lasting impact.

Around the world, in every boardroom, these initiatives are consuming management attention and stretching crucial resources. But not every industry – or every geography – is moving at the same pace.

Following our 2023 analysis of “the sustainability gap”, Fujitsu set out to discover the leaders and the laggards racing to close the gap, and found that in a number of key areas European organizations are currently leading the way vs their peers on other continents.

In this report we will highlight the factors that characterize the approach to sustainability in Europe, where we’re doing well and where we risk falling behind.



Section 1

Europe: the highest
concentration
of Change Makers



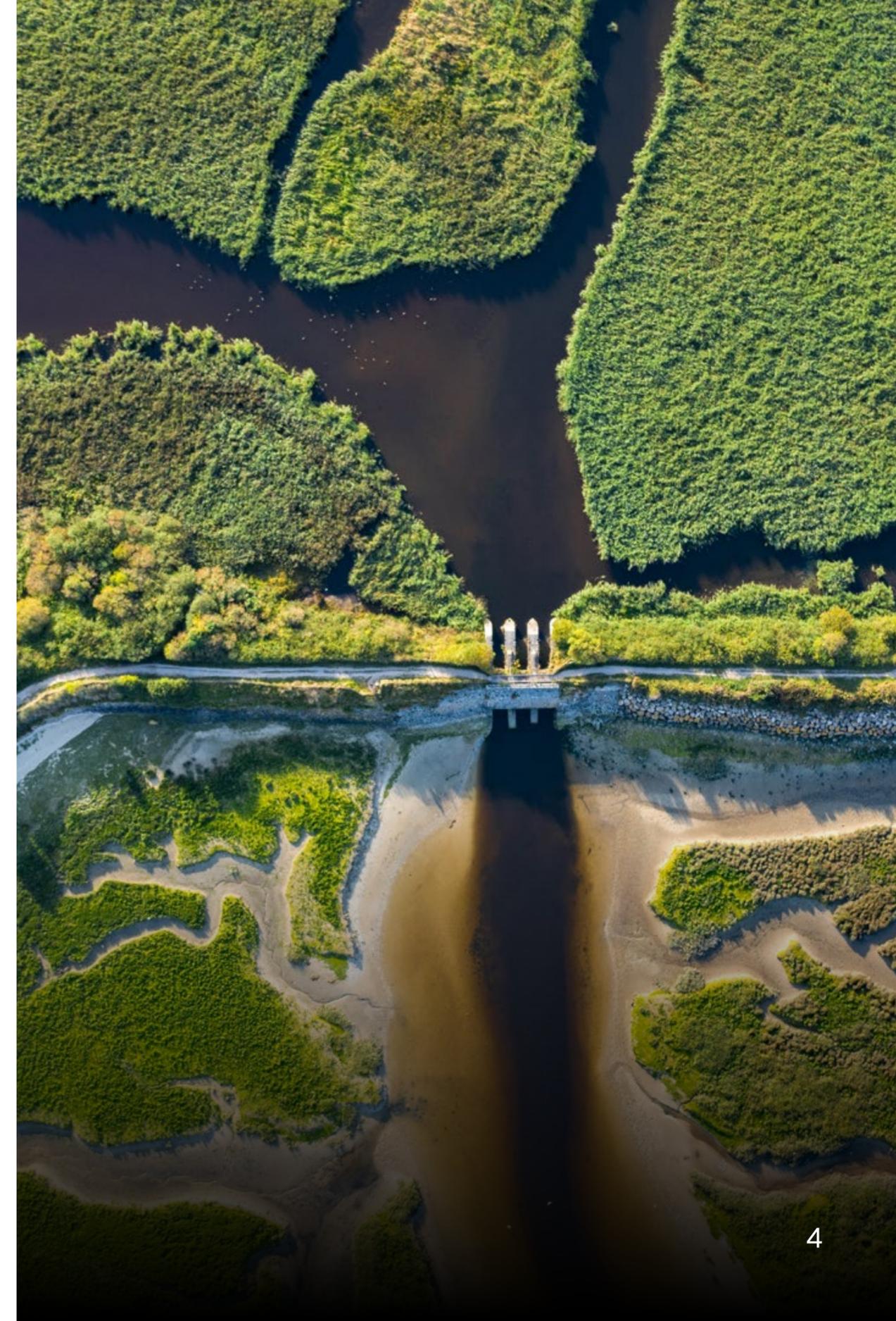
European organizations are more likely than those elsewhere to be Change Makers, implying that organizations in Europe are well on their way to creating an impact from their sustainability initiatives.

In our 2023 research we identified a small but elite group of organizations – the Change Makers – who are leading the way in Sustainability Transformation across the three pillars of “planet”, “prosperity” and “people”. Despite representing a minuscule 6% of the 1,000 organizations surveyed in 2023, the Change Makers were more confident in their ability to deliver on sustainability goals (93%), and 46% were already smashing their financial goals, making this a category to aspire to.

In 2024, Change Makers make up 11% of the total research sample – a better outcome but still an aspirational elite. In 2024, the Change Makers

have made the greatest progress against 14 tangible sustainability initiatives (see next page). They epitomize confident, high-performing organizations, with increased share price, market share and overall financial performance.

In 2024, our findings show that Europe leads the world in having a higher concentration of Change Makers than anywhere else, at 15% of the European sample; this is five and seven percentage points higher than the North American and APAC samples respectively. Cause for celebration in Europe is seen in a number of areas, with 55% saying their sustainability initiatives are designed to drive business growth and expansion. Respondents in Europe are also the most likely to say their sustainability strategies are already yielding growth.



The 14 key sustainability initiatives



1. Tackling climate change



6. Ensuring data security



11. Maintaining/improving the health of employees and/or customers



2. Recycling resources



7. Bridging the digital divide



12. Promotion of lifetime education and reskilling



3. Preserving water resources



8. Promoting IT/AI ethics



13. Improving customer/consumer experience



4. Reducing industrial waste



9. Promoting a positive/healthy workplace environment and addressing labor shortages



14. Showing respect for human rights

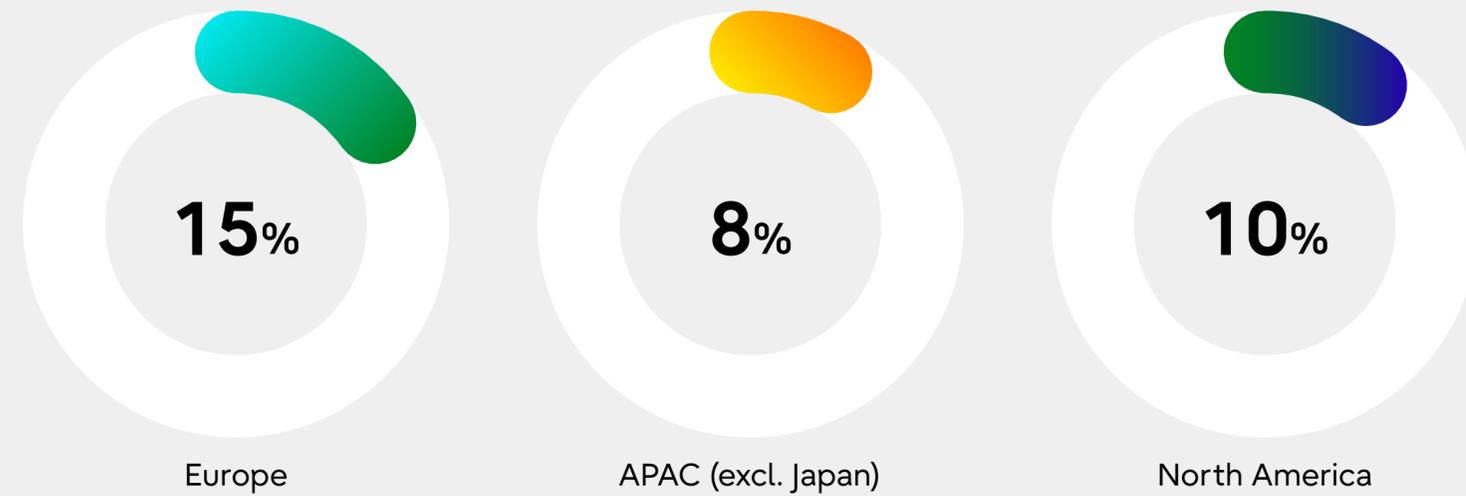


5. Protecting/increasing biodiversity



10. Promoting responsible supply chains

Percentage of organizations in each region that are Change Makers



Base sample: Europe=200; APAC (excl. Japan)=170; North America=200

Figure 1: **Change Makers are more prevalent in Europe.** 15% of European organizations meet the Change Maker criteria, compared with 10% in North America and 8% in APAC (excl. Japan).



Section 2

A question of balance:
short-term vs long-term
sustainability goals



Their long-term commitment to sustainability is likely to be helping European organizations develop a realistic but nevertheless ambitious view of what they can deliver. This is clear from the tangible results that European organizations have already produced in their areas of focus. To unlock further progress, European organizations should draw inspiration from standards set by the global Change Makers.

For European organizations, sustainability will be the number-one priority for the next five years, according to 77% of respondents: it's a long game.

Indeed, within the 14 SX initiatives, there's a delicate balancing act for organization leaders to tackle. Executives need to confront the challenges that fall under the category of sustainability, while actively contributing to business performance and helping to address the United Nations' Sustainable Development Goals and some of society's most pressing problems over the long term. As these goals are not mutually exclusive, it's important to consider how success is tracked over time.



Of the 14 initiatives, the European trend leans towards delivering tangible outcomes in the following areas:



Ensuring data security

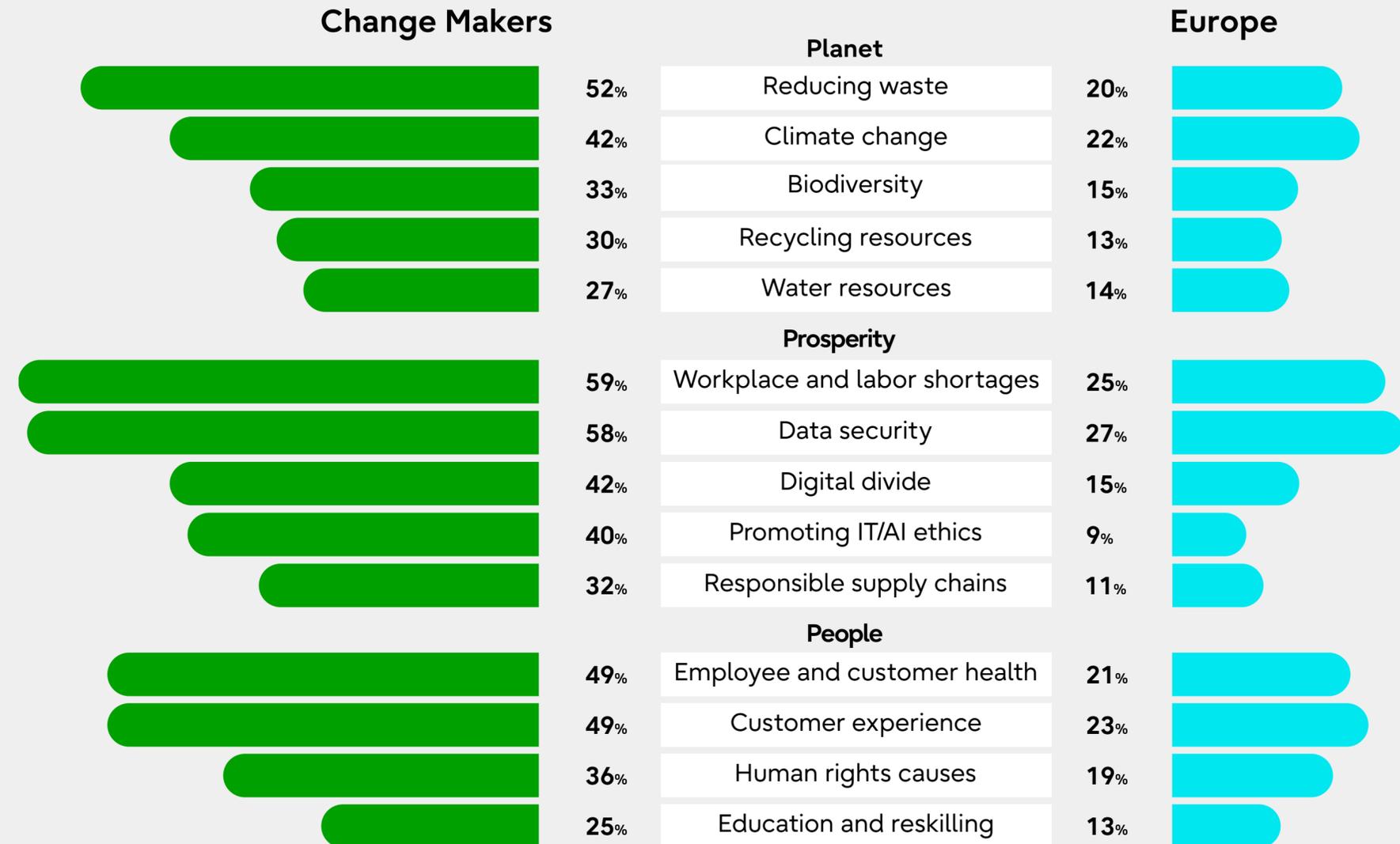


Improving the customer experience



Building a healthy workplace

Percentage of executives that report tangible outcomes on each initiative: Global Change Makers vs Europe



Base sample: Global Change Makers=63; Europe=170

(Note: Percentage of respondents who selected each category as a priority, not of the overall sample)

Figure 2: **Europe is delivering SX outcomes in a number of areas, but there is still work to be done.** European organizations in general have managed to generate some results across the 14 initiatives, but they should still look to global Change Makers for inspiration on how to accelerate progress.

Notably, these three areas reflect more immediate business priorities as the focus for European leaders, and support the 2023 research finding that the sustainability gap can be bridged through increased investment and focus on technology – acknowledged to be a key enabler.

Given Europe's regulated environment, it's perhaps no surprise that early results can be seen in these "controllable" areas, and with European leaders citing "growth and expansion" as an aspiration from sustainability initiatives, these could also be considered the low-hanging fruit.

With the exponential growth and potential of AI to support transformation, it's perhaps disappointing that only 9% are seeing tangible outcomes when it comes

to promoting AI/ethics. This is especially important because more and more organizations and governments are pinning their sustainability hopes and goals on the use of AI in decision-making.

Learn more about the success factors driving the Global Change Makers



[Access the global report](#)



Good access to data together with machine learning will enable our education, healthcare, environment, culture, leisure and sports sectors to predict their service needs better. Doing so can improve the speed and level of decision-making and provide these sectors with better tools for making and analyzing the impact of their services. That's where I see the most potential in the coming years.



Markus Kühn

Chief Strategy Officer

City of Helsinki

Section 3

Ruthless focus on business expansion and growth



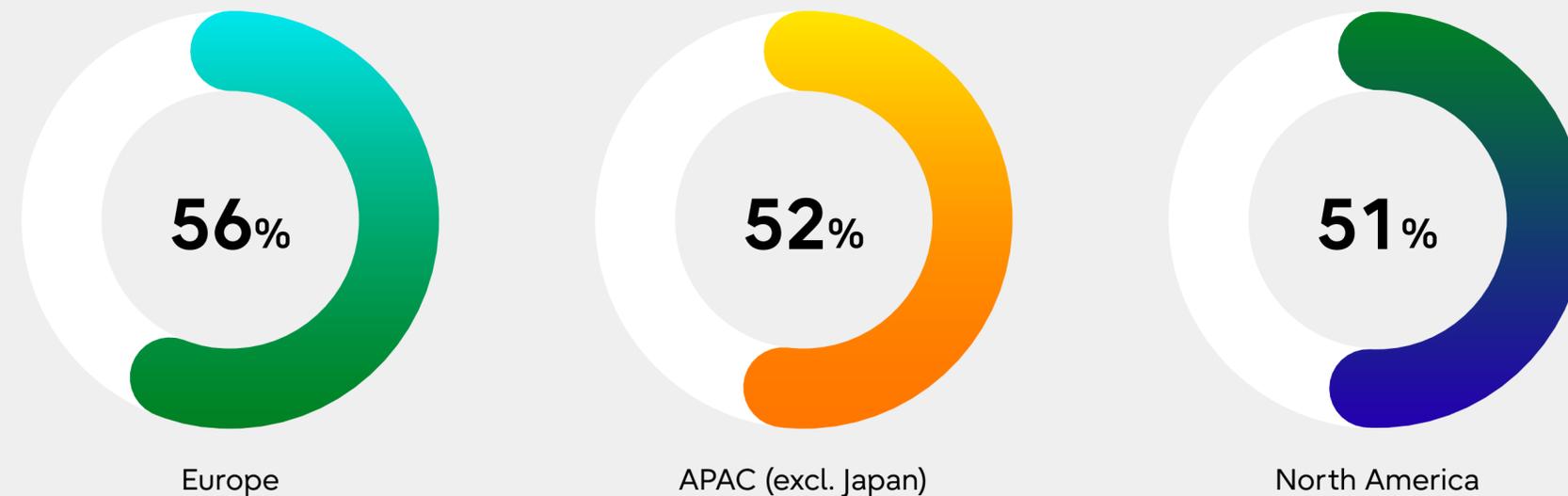
Compared with their peers elsewhere, European executives are more confident of meeting their SX goals in the timeframes they've set out, and are more likely to be seeing first hand how SX and business expansion act as harmonious forces.

As noted earlier, European organizations are more likely than their counterparts elsewhere in the world to create the link between SX and business growth: 55% say that their sustainability strategy is designed to “drive business growth and expansion”, affording SX the same level of priority as their financial goals.

European respondents are the most likely to report that sustainability is already driving business growth. Examples of this growth include the creation of new products and services, entry into new markets, and unlocking new sources of value – an absolute necessity in highly competitive market conditions.



Percentage of executives in each region who report that sustainability initiatives are driving business growth



Base sample: Europe=200; APAC (excl. Japan) =170; North America=200.

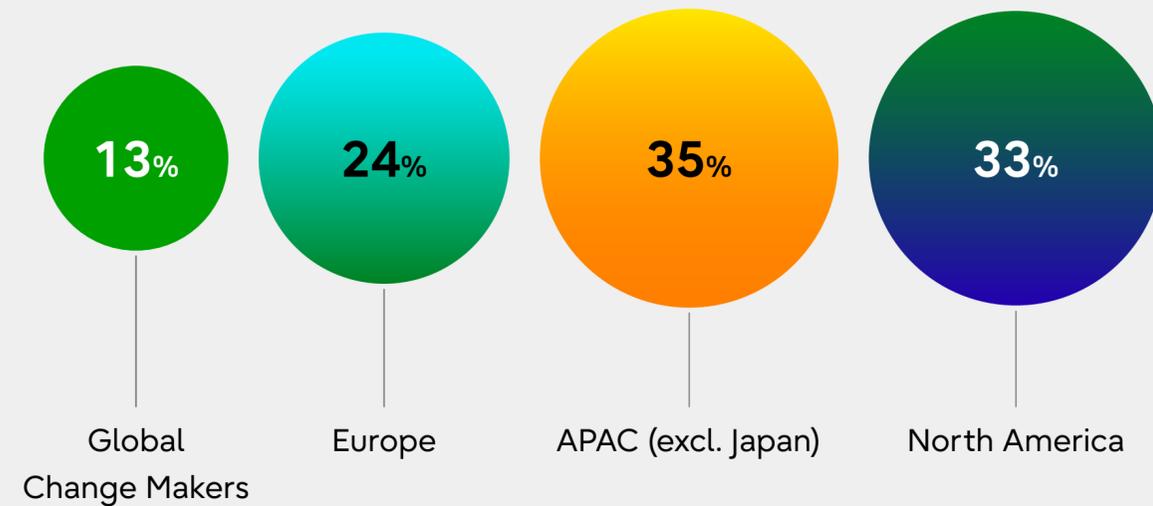
Figure 3: **Sustainability and business growth are complementary.** European executives are more likely than peers elsewhere to report that their organizations' SX initiatives are already driving business growth.

European leaders are ruthless in their pursuit of ROI. Whilst other parts of the world were more likely to cite "unclear ROI" as a barrier to making progress on their sustainability initiatives, only 24% of European organizations considered this a barrier. This is perhaps underpinned by the legislative and regulatory backdrop for Europe, which drives the pressure and expectation of compliance, thereby bringing organizations closer to the Change Maker position.

That backdrop also means that European leaders have no hesitation in committing to delivering under time constraints; 70% say they can meet their goals in the time available (vs 66% in North America and 62% in APAC). And European executives were most likely to be mindful of avoiding greenwashing, showing that credibility is important to this group.

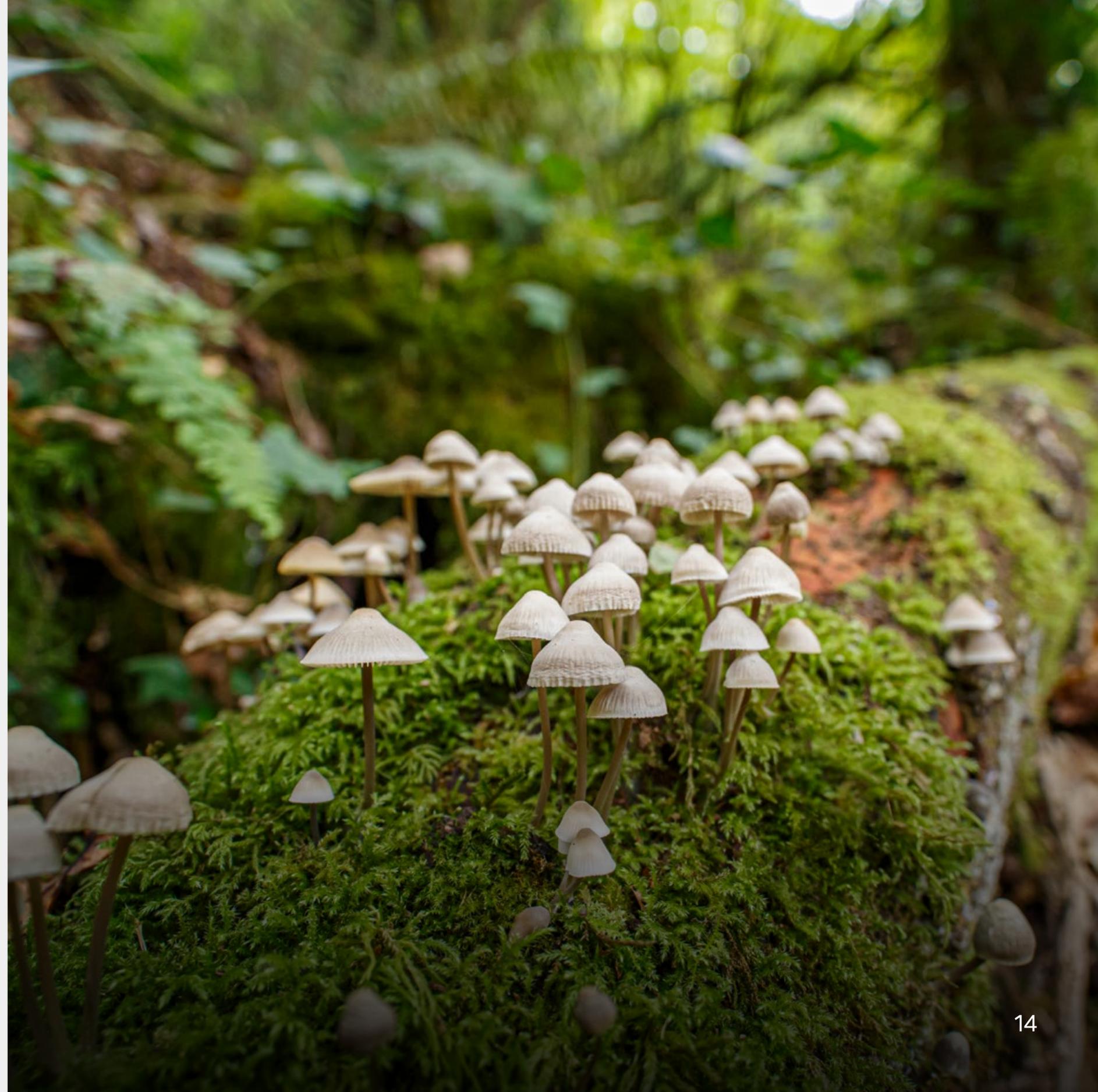
Stakeholders frequently challenge sustainability investments that don't offer a clear ROI

"We get challenged on sustainability investments that don't offer a clear return on investment (ROI)"



Base sample: Global Change Makers=63; Europe=200; APAC (excl. Japan)=170; North America=200.

Figure 4: **Sustainability ROI is less of a hurdle in Europe.** European organizations are less likely to be challenged on the ROI of their SX initiatives than organizations in North America and APAC (excl. Japan).



Section 4

Regulation: blessing or curse?



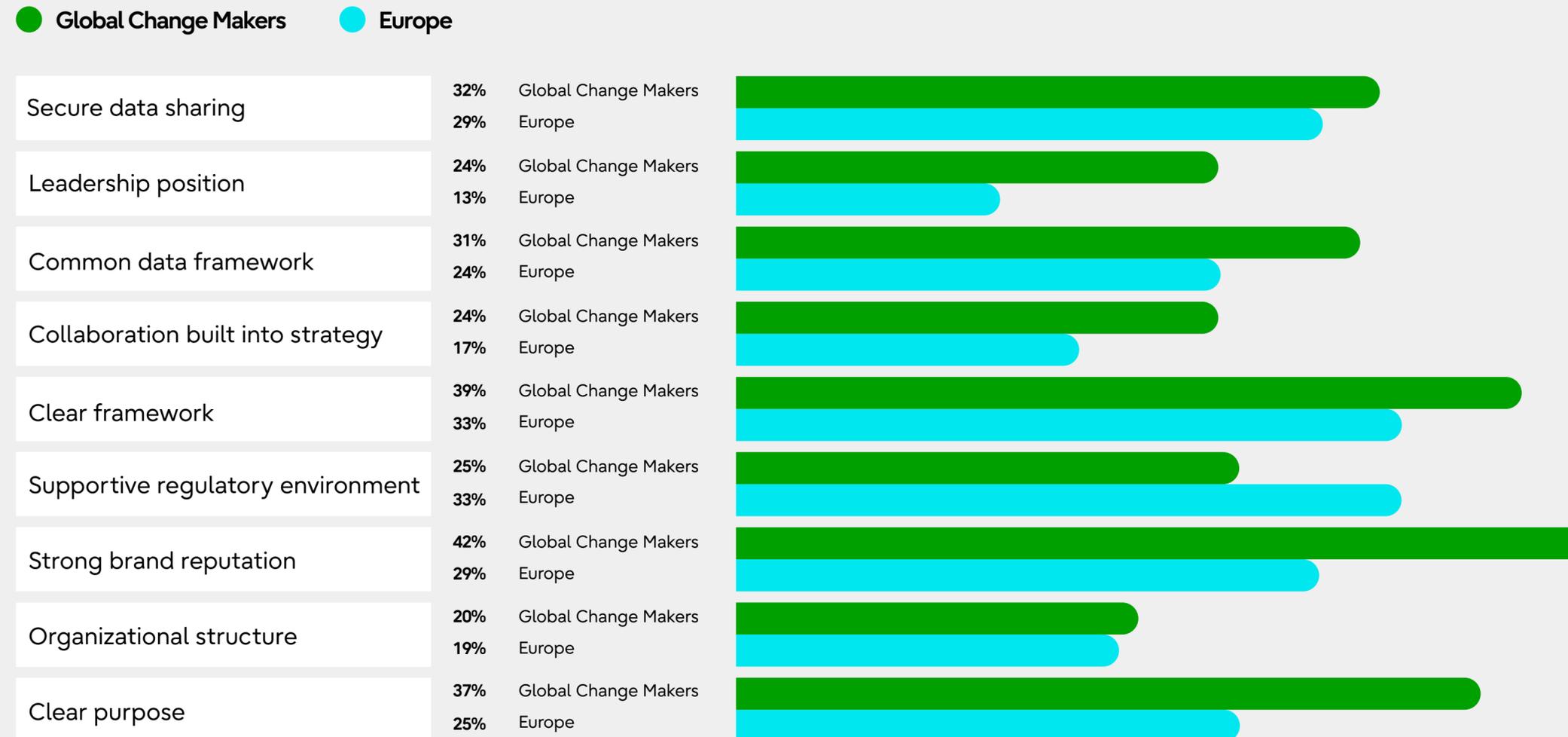
Despite the region's supportive regulatory environment for collaboration, sustainability efforts are held back by European organizations' limited data maturity, including when it comes to external collaboration.

The unique regulatory environment in Europe is of course a major factor in driving focus on SX, and its impact cannot be underestimated.

This is an area where Europe is clearly ahead of the rest of the world; a positive approach to regulation and clear frameworks are seen as enablers to collaboration success, underpinning and supporting their endeavors to work together on sustainability initiatives. In fact, more European respondents than global Change Makers cite a "supportive regulatory environment" as an enabler of collaboration – an area where European organizations can harness their advantage over the rest of the world.



Which, if any, of the following factors enable your organization to collaborate successfully with partners on sustainability initiatives?



Base sample: Global Change Makers=59; Europe=175

Figure 5: **A collaboration advantage from supportive regulation.** European executives are even more likely than Change Makers to cite a supportive regulatory environment as an enabler of collaboration.

However, although the regulatory structure is in place to facilitate the achievement of outcomes in Europe, regulation can be double edged. When it comes to data sharing, regulation can actually become a barrier to success.

Global Change Makers are far more likely than other organizations to have reached an advanced level of data maturity, which involves sharing data with partners across industries, and using it to drive better decision-making and coordination around sustainability. As such, they are building data-centric ecosystems with their sustainability partners, which enable all organizations in the ecosystem to accelerate their progress on sustainability.

However, in Europe the picture on data maturity levels is not as positive.

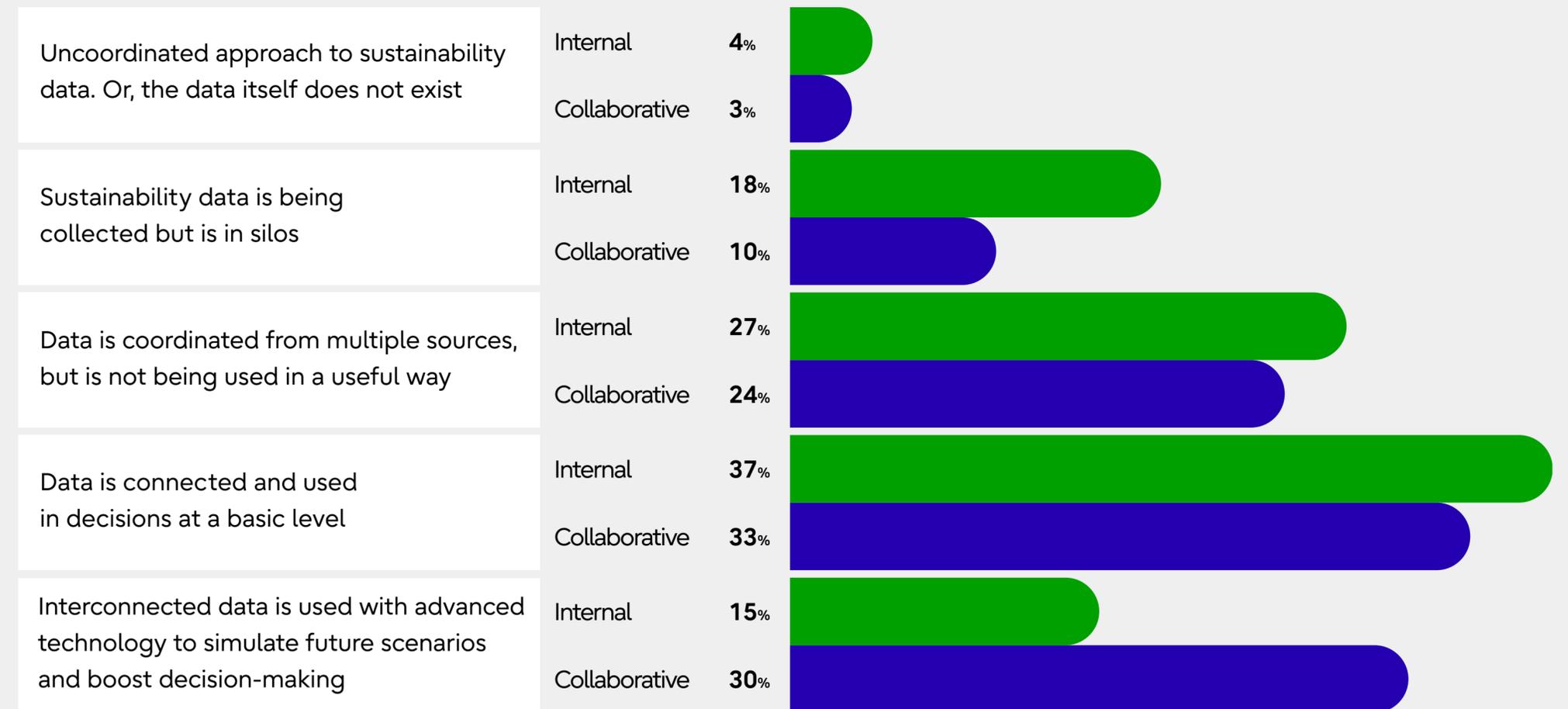
Learn more about the factors driving the Global Change Makers' data maturity levels



[Access the global report](#)

Percentage of Europe executives reporting each level of maturity for using data to drive sustainability transformation: internal use vs collaborative use

● Internal ● Collaborative



Base sample: Europe=200

Figure 6: **Data maturity is not well developed in Europe.** Most European executives rate their data maturity as no better than basic, whether in internal or external use.

On both accounts, internal and external, the majority of European executives (85% and 70% respectively) rate their organization's data maturity as basic, at best. This is a worrying picture; European organizations have the regulatory support to get ahead of the curve with collaboration, and yet they are at risk of falling behind global leaders when it comes to data maturity. This begs the question of whether European organizations are in danger of leaving opportunities on the table.

At best, most European organizations are at a basic level of data maturity. This means, for example, that the data many collect and integrate is not visualized or otherwise utilized

effectively, that data remains in silos, that there is no coordinated approach to data management, or even that they do not collect sustainability data.

That said, 30% of executives agree with the following statement with regards to using data for sustainability within or across industries: "We are already making significant progress in using interconnected data, by using advanced technology. We can predict and simulate future scenarios, advancing our decision-making processes." And herein lies the immense untapped potential to accelerate the pace of transformation and achievement of outcomes, if regulatory barriers can be overcome.



ESG sits in all our commercial & risk decision-making processes. So, we ourselves can scale, but we have a responsibility to bring other banks along, so the industry can scale. That's why we've been starting to think about how to make our science-based approach to measuring clients' ESG progress available to other banks, as a way of helping the industry to move forward. I think that's a real collaborative, data-sharing type of approach.



Mark Pieter de Boer

Global Head of Sector Coverage

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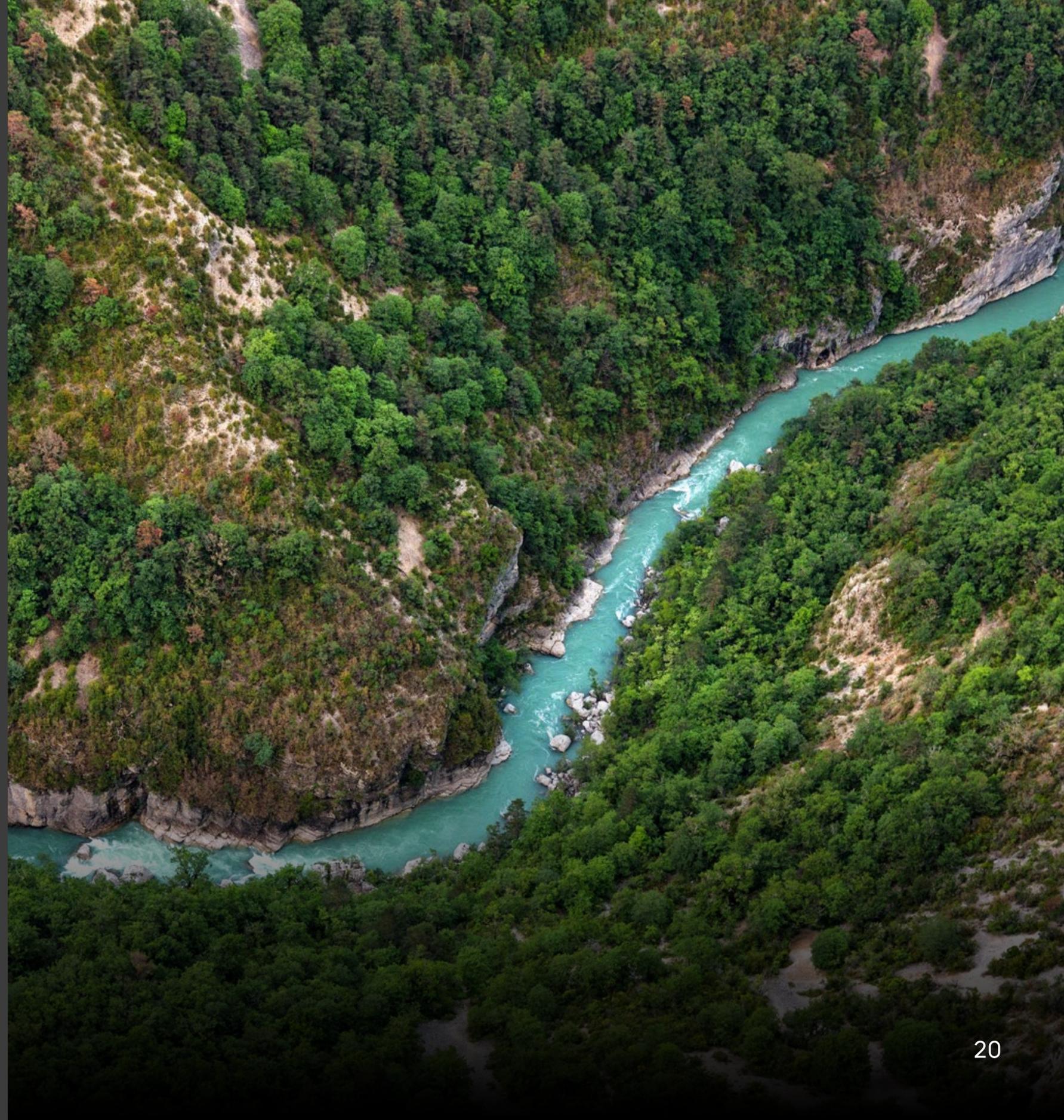
Building trust across the supply chain is critical. We have been transparent with our customers about how we phase our products, starting with the easier ones to then produce more advanced. We also explain how we constantly want to improve our steel-making process and the steps we are planning to take to achieve this, both on quality and cost position. For us, steady-state will never be good enough.



Maria Persson Gulda

Chief Technology Officer

H2 Green Steel



No organization is an island

Sustainability transformation is not a journey to travel alone. Global Change Makers have shown that there are clear benefits to be achieved from collaborating with other organizations, and they are already reaping the rewards.

And while in Europe the regulatory conditions are in place to facilitate collaboration, organizations are not yet taking full advantage of the opportunity to harness them for collective benefit by letting data truly lead the way. In fact, when asked to summarize their

collaboration maturity overall, only 7% of European organizations could say they have reached the highest stage of collaboration maturity, which centers around sharing data and resources as part of a connected ecosystem of partners (vs 25% of Global Change Makers).

Could it be that European organizations are missing the opportunity to reach beyond their own boundaries and are continuing to operate as islands, even though the real benefits are unlocked from data-led collaboration?



Section 5 Conclusion



In 2023, we revealed “the sustainability gap”: the divide between aspiration and reality when it comes to delivering on sustainability transformation.

The good news is that in 2024, it’s evident that the gap is closing, and Europe is leading the way on many fronts. European leaders are placing ruthless focus on business outcomes linked to sustainability, and a healthy balance of short and longer-term initiatives.

It makes for an encouraging picture, especially when combined with a regulatory framework that is, overall, seen as constructive rather than punitive, and is understandably contributing to pace and focus.

But there is still work to do – especially in connection with how European

organizations are leveraging their data in sustainability partnerships in a way that is innovative but, of course, compliant.

And whilst European organizations are ramping up, much of their sustainability success so far can be attributed to the low-hanging fruit: those initiatives that are firmly within their own control and – to some extent – business as usual.

If they are truly to reap the rewards of transformation in its most holistic sense, it’s time for European organizations to embrace cross-boundary collaboration; sharing expertise, data and combined intelligence to increase the scale and impact of sustainability transformation.

To accelerate their Sustainability Transformation journeys, European organizations should draw inspiration

from the defining characteristics of the global Change Makers: a firm dedication to data-centric collaboration and mindsets that are rooted in mature, holistic driving motivations.

Learn more about the defining characteristics of the Global Change Makers



[Access the global report](#)

Methodology

About the total sample of respondents

This study, commissioned by Fujitsu and conducted by FT Longitude, a Financial Times company, is based on a survey of 600 C-suite executives from 15 countries. The demographics of the survey sample are shown below. The survey was carried out over a four-week period between November to December 2023.

There are representatives from across 11 industries: building and construction, energy, financial services, healthcare, manufacturing, life sciences, media, mobility, public sector, tech and telecoms, and retail.

The entire sample is composed of senior leadership, with all respondents sitting at C-level. In terms of the size of the organizations they work for, annual revenues sit above \$500 million.

As well as the survey research, we conducted one-on-one interviews with a number of senior executives and experts, whose insights are featured in this report. Our thanks go to everyone who contributed.

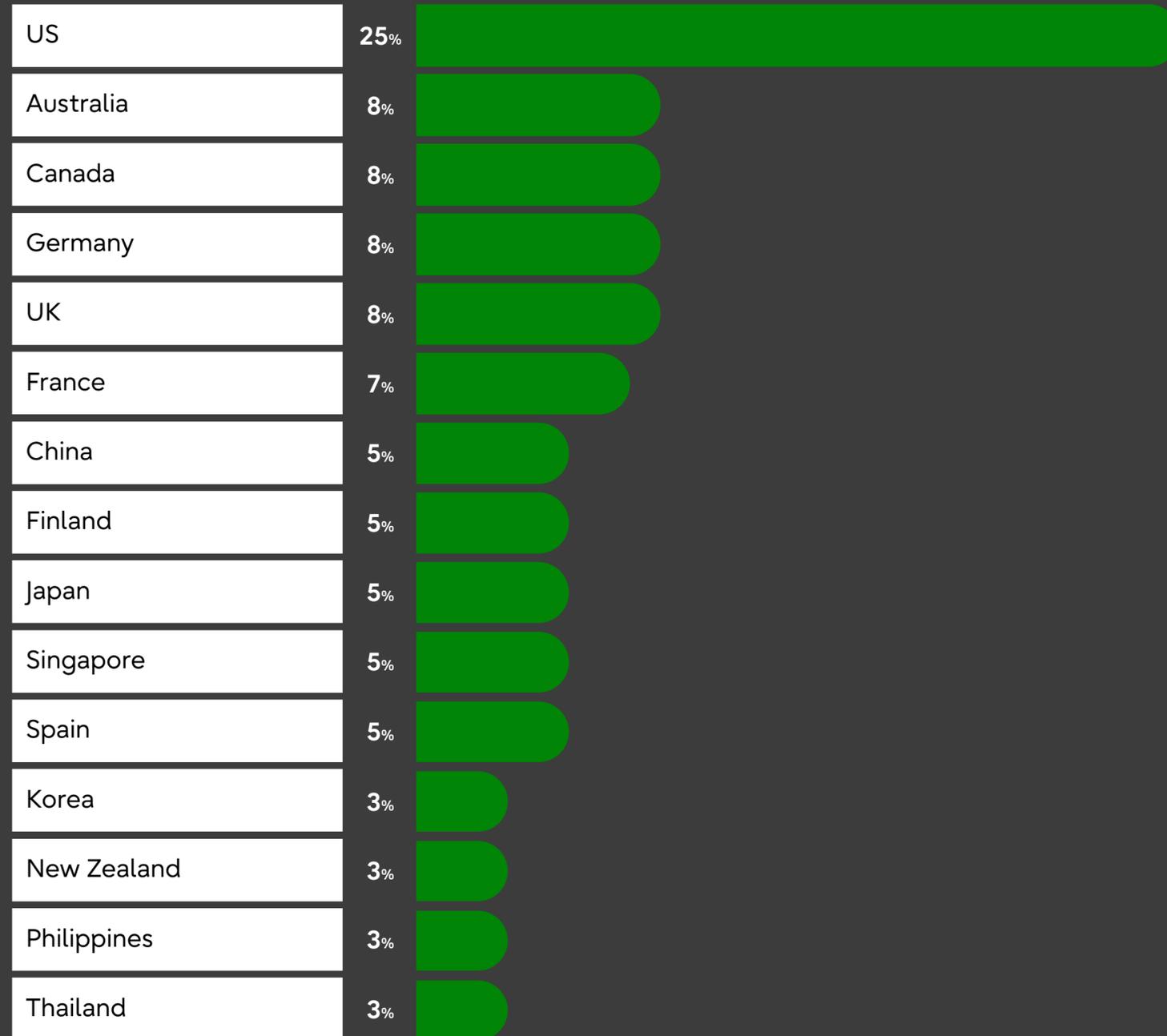
About the Change Makers

The Change Makers are the organizations in our survey that have made the greatest progress in delivering their SX initiatives. We have isolated this leader group based on how they respond to a selection of questions related to SX that were included in the survey. These qualifying questions measured level of SX maturity, degree of progress in the 14 sustainability initiatives, and maturity of attitudes and mindsets towards sustainability. Change Makers account for 11% of the total sample.

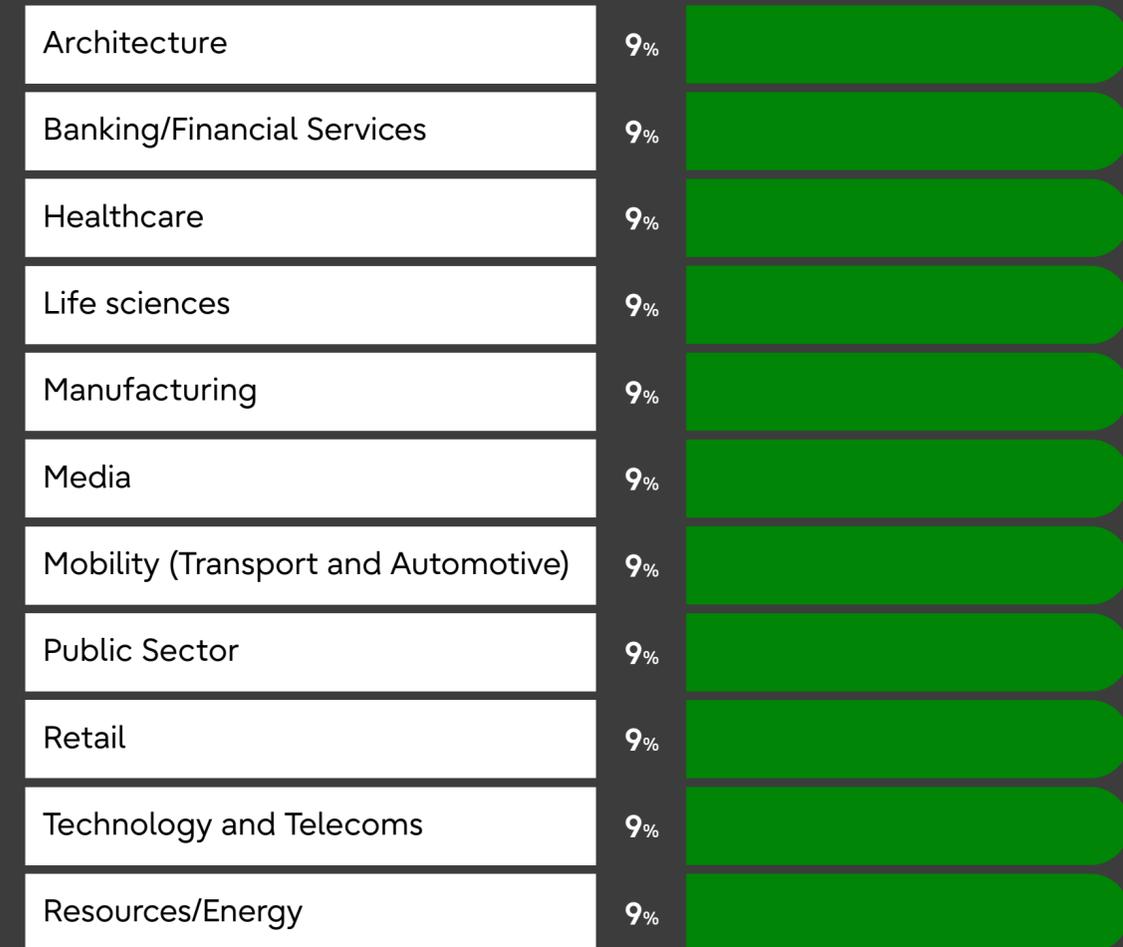
*Rounding to the correct number of decimal places can cause the total to be slightly different from 100%.



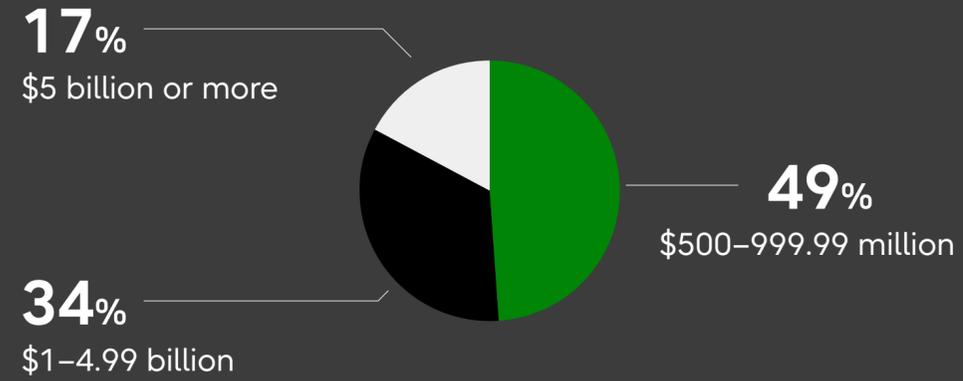
Countries



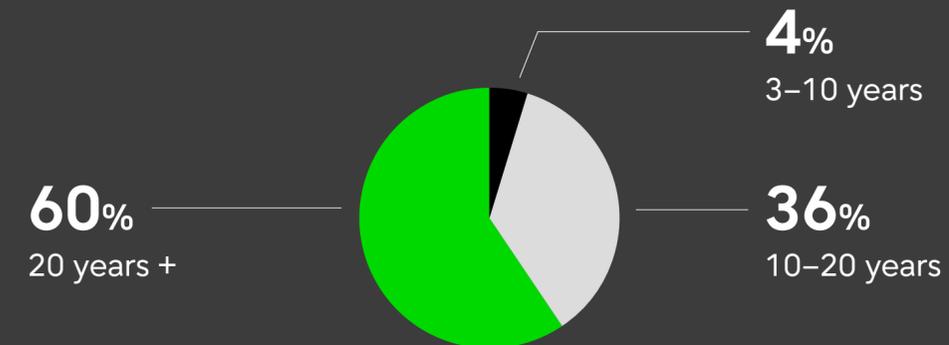
Industries



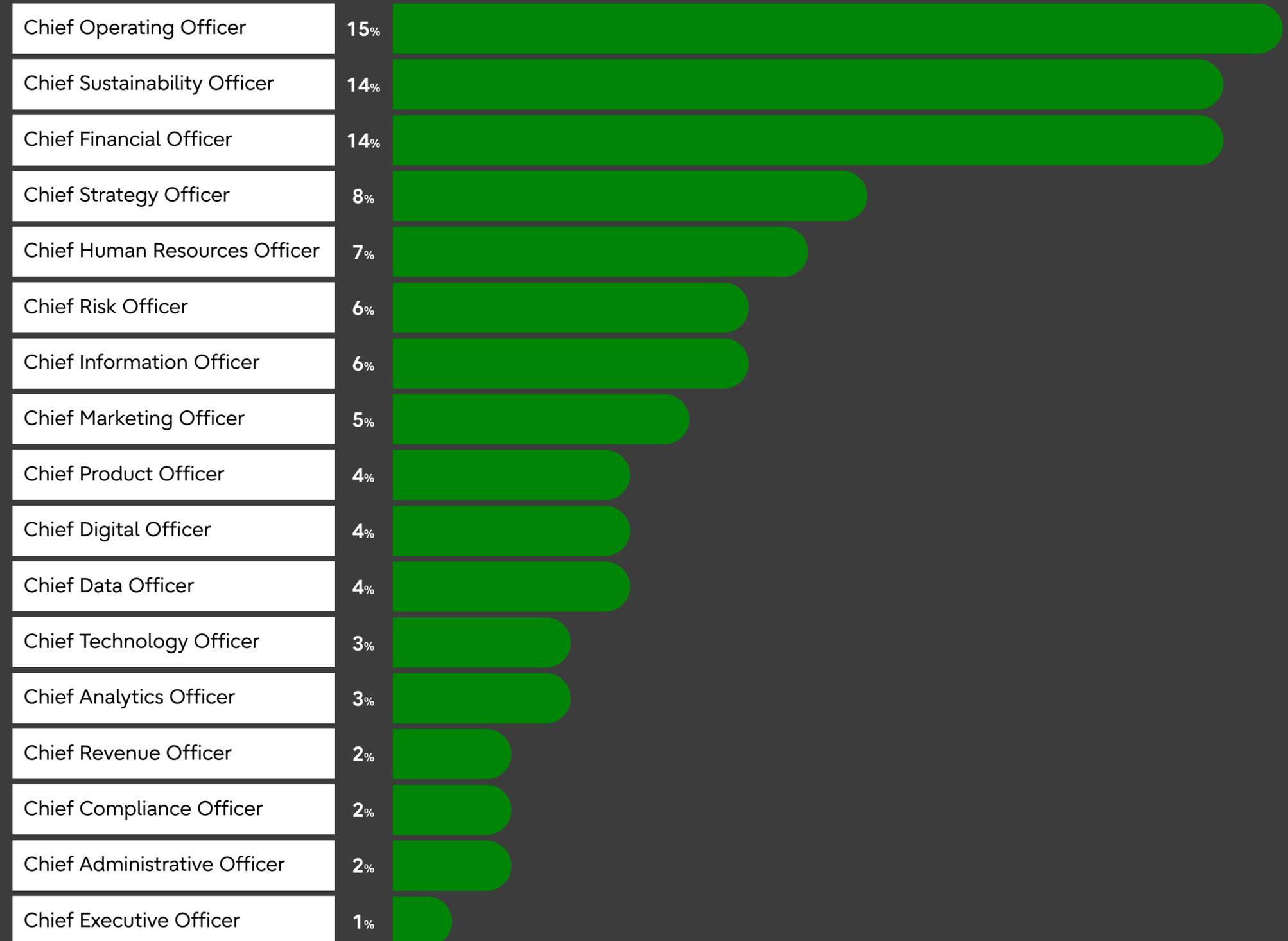
Total revenue size in USD



Number of years in operation



Respondents by role



A large, textured ice wall, possibly a glacier or ice cave, dominates the background. The ice has a complex, layered appearance with various shades of blue and white. In the foreground, a small, dark inflatable boat with several people wearing orange gear is on the water. The scene is dimly lit, suggesting an interior or shaded environment.

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