

Data or disaster: drive sustainability success with trustworthy data

How CEOs can turn compliance into a competitive advantage using a data-driven approach.

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However, the need for sustainability compliance extends beyond the EU. Global standards such as the United Nations Forum on Sustainability Standards (UNFSS), the Task Force on Climate-related Financial Disclosures (TCFD), and the International Sustainability Standards Board (ISSB) under IFRS ensure a wider applicability for businesses aiming to operate sustainably across borders. Additionally, frameworks like the Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP), B Corp Certification, and ISO 14001 emphasize the importance of accountability, transparency, and proactive environmental management. Plus, recent shifts, such as the reconsideration of sustainability agendas in North America and ongoing reviews of the EU Green Deal — including potential simplifications of the EUDR — underscore the necessity for systems that can adapt to changing requirements.

For CEOs, the cost of inaction is steep: financial penalties, reputational risks, and lost opportunities await those who fail to comply. But for those who take decisive action, aligning their operations with these frameworks offers a pathway to leadership, resilience, and long-term success.





Sustainability impacts every layer of operations — and where sustainability policies are rapidly evolving, it's imperative for businesses to adopt flexible solutions. Companies that integrate data-driven sustainability into their strategy today will lead the markets of tomorrow."

Adrian Carr, CEO, Stibo Systems

Why read this eBook?

Sustainability compliance is a strategic advantage and a way to build a better, brighter, and greener future for all. This guide highlights how to leverage a data-driven sustainability strategy to gain efficiency, speed, control, and flexibility in addressing data requests. Plus, we'll look at the pivotal role CEOs play in ensuring the appropriate processes, collaboration and governance are in place.



Businesses integrating sustainability into their strategy saw a 40% improvement in operational efficiency.¹

^{1.} McKinsey & Company, How companies capture the value of sustainability: Survey findings, 2021



Navigating the new regulatory world

Effective data management = complete transparency

Data isn't just numbers; it's about visibility and accountability. With 80% of consumers being more likely to trust a company that backs up its sustainability claims with data,² gaining full visibility of your data is not only an operational concern, but an essential, strategic necessity.

For businesses, meeting regulations like the EU Taxonomy, CSRD, and EUDR requires more than intent; it demands dependable, well-structured data. Today, consumers and partners increasingly value authenticity, which means that providing accurate, verifiable information about your products and services is crucial.

Data traceability platforms don't only ensure compliance, they strengthen brand reputation by showcasing your company's commitment to transparency and ethical practices. Reliable data becomes the foundation for building trust across your entire value chain, aligning with stakeholder expectations, and driving long-term loyalty.

Not only does this help meet requirements; but you'll gain a competitive edge while showing the world you're serious about your impact.

^{2.} Specright, Consumer preferences for product and packaging sustainability survey, 2023



Proving compliance requires evidence, and evidence is data. Without visibility, trust collapses."

René Meijers, Director of Sustainability Consultancy, Stibo Systems



What's the risk of inaction?

Put simply, you'll be fined. In today's world of social media scrutiny, online reputational damage can quickly spiral and is often ranked among the top 10 global threats for businesses, carrying the potential to cause millions in financial losses.³

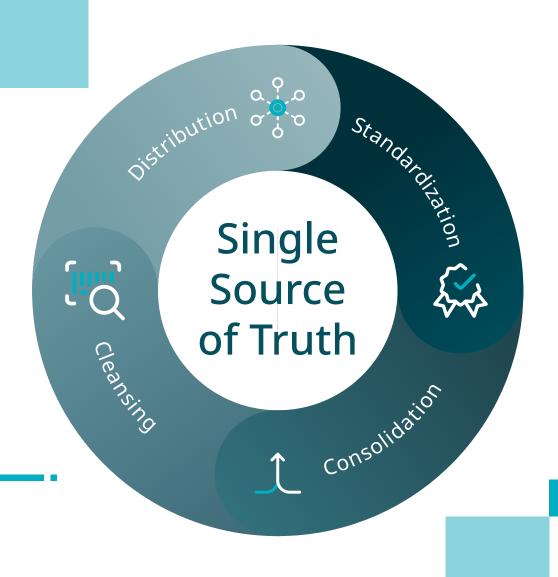
It's also true that 88% of investors prioritize companies with strong ESG (Environmental, Social, and Governance) practices, and businesses unable to substantiate sustainability claims leave themselves vulnerable to the viral backlash that leads to consumer distrust and investor hesitance.

Did you know?

Businesses that prioritize sustainability data see a 20% improvement in consumer trust compared to their competitors.⁵

- 3. Allianz, Risk Barometer, 2020
- 4. Edelman, How to beat the consumer trust gap for a greener wallet and world, 2022
- 5. Specright, Consumer preferences for product and packaging sustainability survey, 2023

Master Data Management (MDM) as the foundation for compliance



What is MDM?

Master Data Management (MDM) is the cornerstone of reliable data management, consolidating critical business information into a single, trusted source of truth.

By seamlessly connecting product, supplier, and location data, MDM gives companies the confidence to meet sustainability goals and comply with complex regulatory requirements.

A centralized MDM system eliminates data silos and redundancies, ensuring information is accurate, up-to-date, and easily accessible across all departments, empowering organizations to make smarter decisions and respond faster to evolving demands. Initiatives like the Digital Product Passport (DPP) are set to revolutionize product traceability, and companies must ensure their data infrastructure is ready.

MDM also unlocks full supply chain traceability, from raw materials to finished products. It ensures compliance with certifications and standards such as ISO and EPR while revealing opportunities for improvement across operations.

Gartner highlights that businesses leveraging MDM can achieve compliance reporting 30% faster.⁶ Plus, many leading global manufacturers and clothing brands already depend on this technology to manage regulatory declarations and optimize their product specifications.

By implementing MDM, companies can transform their data into a strategic asset that drives efficiency, accountability, and trust.

6. McKinsey & Company, Operations-driven sustainability, 2020





Turning compliance into opportunities with data visibility

A globally recognized cookie manufacturer faced a critical challenge in meeting stringent cadmium content regulations, particularly those set by the European Union.

Cadmium, a toxic heavy metal found naturally in the environment, can accumulate in cocoa beans, posing health risks such as kidney damage and bone demineralization. To protect consumer health, the EU has established maximum permissible levels of dietary products.

To achieve compliance, the manufacturer needed comprehensive visibility into their supply chain, including the geo-location of suppliers and the compliance data of manufacturers. This information was crucial for answering critical questions from retailers and ensuring smooth and reliable business operations. Stibo Systems Platform provides a centralized platform for managing and integrating all critical data, enabling better information exchange master and reliable lifecycle visibility.

The Stibo Systems Platform system allowed the manufacturer to gather information to calculate

the cadmium content from the raw material, based on cocoa sourcing to finished product distribution, ensuring adherence to EU regulations. With access to detailed supplier data, the company could proactively identify high-risk sourcing locations and collaborate with suppliers to mitigate risks also in other regulations like EUDR.

Beyond regulatory compliance, the MDM solution delivered operational efficiencies by streamlining data management processes and facilitating informed decision-making. Moreover, it enhanced trust across the supply chain, as stakeholders could rely on transparent and accurate data regarding product safety and compliance. This case exemplifies how robust data systems can transform regulatory challenges into leadership, innovation, and sustainable growth opportunities in the global market.



Working with Stibo Systems ensures our customers are aware of the sustainable attributes of our products and are provided the information in a user-friendly way, which is very important to us. We looked at several use cases around sustainability product attributes, including material recycled content, product carbon footprints and certification. Stibo Systems proved during a proof of concept that it could do what we needed."

Essentra



The pitfalls of fragmented data

Disjointed data systems leave businesses vulnerable.

For example, a company that is unable to track harmful chemicals in its products risks regulatory violations and consumer backlash that can spread like wildfire.

Imagine a retailer promising non-toxic products but failing to substantiate these claims due to fragmented, or untraceable, data – as we've seen, the reputational damage can be irreparable.

Find out more

Discover more about how the Stibo Systems Platform can transform your business operations, here.



MDM acts as the backbone of your organisation's sustainability data, providing data is future-proofed and ensuring you have the evidence to back your claims"

Elodie Hutson,Sustainability Pre-sales
Consultant, Stibo Systems



Bridging the gap between data and sustainability teams

Sustainability isn't the responsibility of one team. It requires alignment across data, IT, sustainability, manufacturing, and supply chain operations – and CEOs play a pivotal role in leading this collaboration, ensuring all teams work toward a shared goal.

When businesses align their data strategy with sustainability ambitions, they can address challenges holistically. Investors and consumers increasingly expect businesses to align with global sustainability frameworks like the United Nations Sustainable Development Goals (UNSDG). A well-structured data strategy, supported by MDM, ensures that sustainability claims are backed by verifiable data.

This unified approach transforms compliance efforts into opportunities for efficiency, cost reduction, and innovation. By fostering collaboration, organizations can streamline operations, exceed stakeholder expectations, and adapt to evolving regulations, all while driving sustainable growth.

Practical steps you can take:



An enterprise approach to sustainability shouldn't be reactive, it should be proactive. A high level of data maturity allows you to both demonstrate integrity and monitor any issue areas for quick resolution"

Catherine Cherry,
MDM Practice Lead at Amplifi

What does this look like in the real world?

A consumer goods company, for example, may implement this kind of technology to improve and simplify sustainability reporting.

By automatically linking product data with supplier certifications, organizations can ensure full regulatory compliance and stay ahead of changes. The result? A streamlined process that saves time and strengthens investor confidence.

According to a recent study, organizations with integrated data strategies report a 25% improvement in decision-making efficiency. Plus, cross-functional collaboration doesn't just automate compliance — it can also reduce operational costs by up to 15%.⁷

Find out more

Learn how to close the gap and better optimize your ESG performance, here.





Our commitment to the United Nations
Sustainable Development
Goals reflects our dedication to creating lasting value for both our stakeholders and the planet"

Adrian Carr, CEO, Stibo Systems

Leveraging MDM for sustainable business growth

MDM is a growth enabler. By centralizing and harmonizing data, businesses can uncover inefficiencies, reduce waste, and allocate resources more effectively.

Research indicates that circular economy initiatives supported by reliable data could unlock \$4.5 trillion in economic benefits by 2030.8

MDM also helps businesses avoid greenwashing by providing verified, accurate data to back sustainability claims. For instance, MDM enables companies to track the environmental impact of suppliers, ensuring that products meet sustainability goals and providing the evidence to prove it.

8. Operations Council, Sustainability in Operations: Balancing Efficiency and Environmental Responsibility, 2024



With MDM, businesses don't just comply with regulations — they build trust, enhance operational efficiency, and position themselves as leaders in sustainability:



Meet evolving regulations like CSRD and EUDR with **30% faster reporting.**



Reduce data redundancies and improve cross-functional alignment, **cutting operational costs by up to 15%.**



Provide accurate, verified data to consumers and investors, strengthening relationships and improving market valuation.



Support circular economy initiatives: Optimize resource allocation and reduce waste, **unlocking up to \$4.5 trillion** in economic benefits by 2030.

Find out more

Gain further insights from our industry experts, here.



The CEO's role in transforming data into a strategic asset

Leadership in action: CEOs must champion sustainability by integrating it across operations and fostering a culture of accountability.

decision making: From product design to supply chain logistics, MDM ensures every decision aligns with your sustainability goals.

Data-driven

Future-proofing your business: As regulations evolve, an adaptable data infrastructure ensures long-term resilience.

Did you know?

Companies with strong sustainability practices outperform their peers by 21% in market valuation.⁹

^{9.} McKinsey & Company, Operations-driven sustainability, 2020



In sustainability, precision at the atomic level is essential for accurately tracking carbon emissions, resource consumption, and supply chain impact—ensuring corporate strategies are built on verified, high-quality data."

Fredrik Larsson,CEO, Nexer Data Management



A blueprint for sustainable success

Sustainability is a commitment to making the world a better place for future generations. It's what drives resilience, enables growth, and builds trust with consumers and stakeholders.

Achieving this vision requires actionable strategies and the power of data to lead the way.



Elevate sustainability to a board-level discussion and embed it in your organization's core strategy.



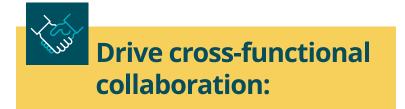
Use data to go beyond meeting regulations – build trust with stakeholders and differentiate your brand.

Focus on the long term:

Position your organization as a leader in sustainability while ensuring long-term growth and resilience.



Invest in MDM to unify data, provide evidence for compliance, and drive operational efficiencies.



Foster regular communication between sustainability, IT, and data teams to align goals and ensure progress.



CEOs have the power to lead this transformation. By prioritizing sustainability at the board level, fostering collaboration across teams, and leveraging MDM to unify data, they can ensure compliance, drive innovation, and secure long-term growth.

Take the first step today:



Assess your current data practices.



Talk to your teams to align your sustainability ambitions with your data strategy.



Develop a unified approach that integrates transparency and traceability into your operations.

Ready to take the next step?

Connect with our experts today.



Stibo Systems
Sustainability Cloud
ensures data integrity from
the ground up, providing
the transparency, trust,
and compliance needed to
navigate today 's regulatory
landscape."

Fredrik Larsson, CEO, Nexer Data Management



Sustainability regulations will continue to shift, but one thing remains constant: Companies need agile, datadriven solutions to stay ahead. Flexibility isn't optional—it's a business imperative."

Adrian Carr, CEO, Stibo Systems

About Stibo Systems

Stibo Systems, the master data management company, is the trusted source of MDM. Our solutions are the driving force behind forwardthinking companies around the world that have unlocked the strategic value of their master data, empowering them to improve the customer experience, drive innovation and growth and create an essential foundation for digital transformation. We give companies the transparency they require and desire – a single, accurate view of their master data – so they can make informed decisions and achieve goals of scale, scope and ambition. Stibo Systems is a privately held subsidiary of the Stibo A/S group, founded in 1794, and is headquartered in Aarhus, Denmark.

For more information, visit **stibosystems.com.**

