

CASE STUDY

Simplifying Sustainability: A Beginner's Guide for Taking the First Steps on a Journey to Net Zero

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Be Prepared

Sustainability is often framed as a complex, long-term challenge that requires drastic action and a steep investment.

In some ways, this can be true. But starting your journey to Net Zero – i.e. finding a balance between the emissions a company creates and the emissions it reduces from the atmosphere – doesn't have to be hard. It simply starts with a small shift in how organizations view their operations, resources, and responsibilities.

Whether you're just starting your sustainability journey or you're further along and looking to refine your approach, the key is to break down your plans into actionable steps that help you efficiently move forward toward clear and transparent goals.

Start by Understanding Where You Are

The first step in any sustainability journey is figuring out where you are and where you're headed. Understanding your carbon footprint and the sources of emissions in your operations and in your value chain can help you determine where to focus your efforts.

Not having a clear understanding of your needs and goals, and the initiatives required to get there, can make it easy to feel lost along the way. As you begin this process, it's important to start by identifying the potential benefits of sustainability for your organization, both in the short- and long-term.

One of the most common immediate benefits is cost savings. Many organizations can overlook the financial advantages of investing in energy efficiency and waste reduction initiatives. However, addressing energy consumption, improving building performance, and reducing waste can result in significant savings on utility bills, maintenance costs, and even capital investments.

For example, ENERGY STAR data shows that creating high performing, energy efficient buildings can **save organizations $0.60 per sq. ft. on annual operations and maintenance expenses and $0.53 per sq. ft. annually on utility costs.**[1]

Scope 1
Direct Sources

- Onsite energy consumption and materials processing
- Company-owned vehicles

Scope 2
Indirect Sources

- Emissions from purchased electricity for own use

Scope 3
Upstream and Downstream Sources

- Business travel
- Processing of sold products
- End-of-life treatment of sold products
- Investments
- Downstream transportation and distribution
- Use of sold products

Another important consideration is how your sustainability efforts align with investor expectations and regulatory demands. Increasingly, investors are looking at environmental, social, and governance (ESG) performance as a key factor in their decision-making process.

At the same time, many organizations face growing regulatory pressure around sustainability. Companies around the world are facing the prospect of mandatory climate-related disclosures as a result of regulations such as the U.S. Securities and Exchange Commission's (**SEC**) recent Climate Rule, The European Union's Sustainable Finance Disclosure Regulation (**SFDR**), and the Canadian Sustainability Disclosure Standards (**CSDS**).

Ensuring that your operations meet these requirements is not only necessary to avoid penalties, but also crucial for building trust with stakeholders.

Assessing the Potential Risks

Embarking on your sustainability journey is a crucial step toward identifying and managing the risks your organization will face in the coming decades. Delaying action – or moving too slowly – poses significant risks, making it essential to act with urgency and purpose.

With growing pressure from investors and regulators, companies that fail to take sustainability seriously could face increased costs, reputational damage, decreased asset value, and even regulatory penalties.

Public perception is another risk to consider when determining the actions (or lack thereof) you will take on your sustainability journey. Research has shown that **70% of American consumers** believe it's either "somewhat" or "very important" for companies to "make the world a better place."[2] That's why 90% of companies in the S&P 500 recognize how important transparency is and publish reports on their sustainability practices. Having a clear sustainability strategy can help you build trust with your most important stakeholders and protect your brand.

Lastly, of course, there is the physical risk of climate change itself. As the climate continues to shift, the assets that organizations depend on most – buildings, transportation, machinery, etc. – may be negatively impacted from threats of extreme weather, rising sea levels, or other climate-related impacts.

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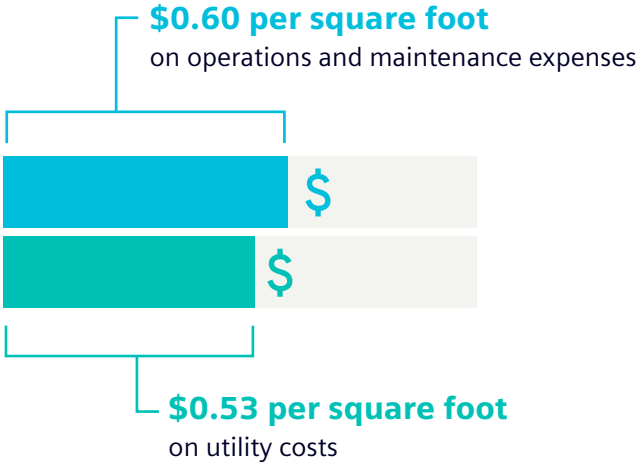
Energy efficient buildings annually save:



Leverage Data for Guidance on What Steps to Take

Once you have a clear understanding of where you're starting from and where you're headed, it's time to take action. For many business leaders, this can feel like the most daunting step. But the key here is to simply focus on the things that matter most: energy consumption, emissions reductions, and overall resource management – and leverage the data you already have on hand.

For example:



Analyze historical utility bills to identify patterns in energy and water usage, track costs, and uncover efficiencies in they exist.



Study asset inventories to determine if any have become energy-intensive or are nearing the end of their lifecycle and could be upgraded for better efficiency.



Review your long-term capital plans to align sustainability goals with upcoming investments (such as replacing outdated equipment to reduce energy consumption).

WHY IT MATTERS

91% of consumers want to engage with companies that **practice strong corporate social responsibility.**

Understanding Your Motivation

The first thing you'll want to do is establish your motivation. What is driving you to take this step? Is it regulatory compliance? Investor pressure? Or perhaps a commitment to corporate social responsibility? Once you've pinpointed your drivers for taking this journey it can make it easier to justify the steps you will take – both from a financial and operational perspective.

Regardless of your reasons for taking action to reduce your carbon footprint and meet your sustainability goals, it is impossible to be effective without first having a clear picture of your current energy usage, emissions, and resource consumption.

Simply put, you can't manage what you can't see. Without data, there's no way to accurately identify problem areas, measure progress, or make informed decisions to drive meaningful improvements. That's why investing in tools and systems that give you real-time visibility into your operations will be crucial for meeting sustainability goals.

Transforming Data into Insights

The 2025 U.S. State of Asset & Facilities Management Report found that while 94% of respondents have renewable energy initiatives in place, only 51% are actively leveraging their asset data to inform sustainability practices.[3]

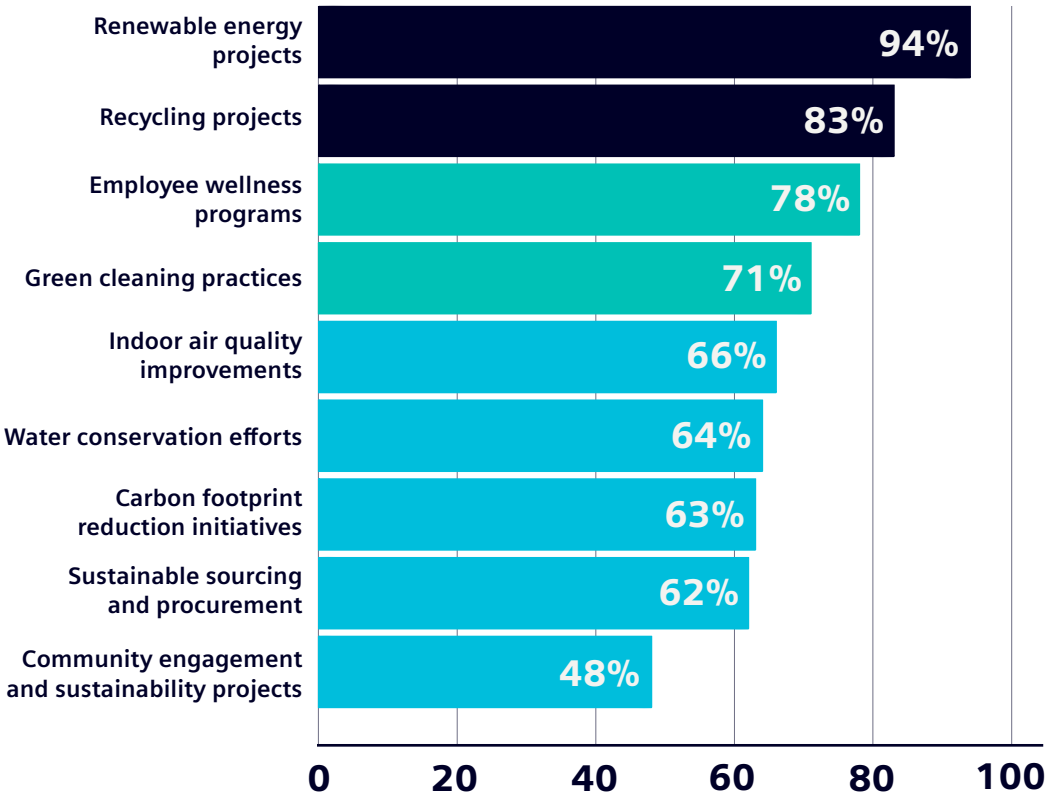
This is a problem. Having access to reliable data is only useful if you take the time to put the data to use. These findings suggest the organizations are vastly underutilizing their available resources, which could greatly minimize the impact of their sustainability efforts.

Organizations that fail to act on their asset data risk falling short of their sustainability goals, missing out on cost savings, and losing their competitive edge in an increasingly eco-conscious market.

To maximize the impact of sustainability initiatives, businesses must prioritize turning their raw data into actionable insights that guide decision-making and operational improvements.

This process involves analyzing trends in energy usage and identifying where savings opportunities exist. For example, understanding your energy consumption patterns can help you pinpoint inefficient systems or processes that are driving up costs and emissions to develop a targeted strategy for improving efficiency and transitioning to cleaner energy sources.

Sustainability Initiatives in Place for U.S. Organizations



Choosing the Right Resources

A key part of this process is setting goals and tracking your progress. Start by understanding your baseline performance – where do you currently stand in terms of energy usage, emissions, and waste? Once you have that baseline, you can set realistic, measurable goals for improvement.

Maybe you want to lower carbon emissions by 25% within the next five years. Or perhaps you're looking to save 15% annually on your energy bill. With the right data – and tools in place to leverage that data – you can track these goals and adjust your strategy as needed to ensure success.

By investing in tools that centralize and interpret asset data and collaborating with experts who can help implement effective strategies, organizations can unlock the full potential of their sustainability efforts.

Whether it's streamlining energy management, optimizing maintenance workflows, or achieving longterm decarbonization goals, choosing the right resources can make all the difference in turning ambitions into measurable results.

WHY IT MATTERS

97% of asset and facilities managers say their asset lifecycle management software helps them **improve decision making and enhance regulatory compliance**

Choosing the Right Partner

One of the reasons sustainability can feel overwhelming is that it is often viewed as a journey you will need to take on your own. Fortunately, that's not the case. As you begin developing and implementing decarbonization strategies, remember that choosing an expert partner with a reliable track record to work with you every step of the way can provide additional support and guidance to make your efforts more successful.

Siemens Software is dedicated to helping organizations simplify sustainability by providing the tools and insights necessary to manage energy, reduce emissions, and achieve long-term decarbonization goals. With innovative solutions like **Stream™** and Energy **Manager™** we empower sustainability leaders with the data and expertise they need to take meaningful steps toward achieving Net Zero.

Start by building a foundation with data

> The foundational first step of gathering and organizing your utility data can eventually lead you to having a clear understanding of your current performance and the steps needed to improve.

Identify anomalies and start reporting

> If gathering data is the "crawl" stage, then analyzing and reporting your data is "learning to walk." Creating reports that document your energy usage, emissions, and costs can allow you to uncover any inefficiencies that exist, like unexpected spikes in consumption or areas of waste. This will enable you to better prioritize any necessary upgrades, replacements, or operational adjustments.

Unlock deeper insights with real-time data

> For organizations ready to take the next step, real-time monitoring can provide a centralized view of utility consumption, emissions, and performance. With actionable insights, you can track progress toward your goals, optimize resources, and make smarter, data-driven investments to reach long-term sustainability objectives.

This "crawl, walk, run" approach ensures that organizations can make meaningful progress at their own pace, gaining the clarity and confidence needed to take action toward reducing their environmental impact.



Start Your Net Zero Goals with Siemens

Sustainability isn't just about meeting today's challenges – it's about creating a future where businesses and the environment thrive together. Siemens partners with you at every step of the journey, from creating a foundation of data to identifying opportunities for efficiency and cost savings to supporting the implementation of data-driven strategies that align with your long-term vision.

By choosing Siemens, you gain more than a software provider—you gain a trusted partner committed to helping you start your Net Zero goals efficiently, transparently, and confidently. Whether you're just starting your sustainability journey or looking to scale your initiatives, our software, expertise, and professional services will ensure your efforts deliver meaningful, measurable results.

Sources

1 Energy Star: The Business Case for Energy-Efficient Buildings energystar.gov/buildings/save-energy-commercial-buildings/finance-projects/ business-case

2 Forbes: Embracing Transparency: How to Practice Corporate Social Responsibility forbes.com/councils/forbesbusinesscouncil/2024/01/04/embracing-transparency-how-to-practice-corporate-social-responsibility/

3 Brightly Software: State of U.S. Asset & Facilities Management 2025 brightlysoftware.com/resource/state-us-asset-facilities-management-2025-report

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