

# The state of carbon accounting in Manufacturing



Decarbonization challenges and solutions

Industry Spotlight

Manufacturing



# Shape the future of change in manufacturing

Your operations, ranging from resource-intensive production processes to complex supply chains, present both opportunities and challenges on the path to ESG success. By engaging all your stakeholders, from suppliers and producers to logistics partners and consumers, you can lead the charge in sustainable manufacturing. Sweep empowers you to implement a collaborative reduction strategy.

## Sustainability in Action

In September 2024, Sweep and Capgemini released a research report examining how hundreds of organizations across four major economies are leveraging data for sustainable transformation. According to the Sweep x Capgemini survey:

### DATA DILEMMA

70%

of manufacturers still use spreadsheets for carbon footprint measurement

45%

of manufacturers lack comprehensive emissions data for sustainability strategies

### REGULATORY READINESS

40%

of manufacturers have conducted a double materiality assessment necessary for the CSRD

54%

Of those more than half have said that competing and confusing guidelines and frameworks are to blame

### COMMON FRUSTRATIONS

52%

Manufacturers biggest frustrations linked to sustainability are data complexity

50%

and the lack of proper tools for carbon and ESG data collection

### DIGITAL FUTURE

95%

of manufacturers recognize the role of digitalization in sustainability strategies

# The manufacturing supply chain challenge

Decarbonizing the supply chain in the manufacturing sector presents unique challenges that require specific strategies and solutions

## 1 A lack of carbon knowledge

Many manufacturing suppliers are not well-versed in carbon accounting and emissions measurement. This knowledge gap hinders their ability to accurately report and reduce their carbon footprint. It is essential to provide them with education and resources to understand these concepts and start their decarbonization journey.

## 2 Many tiers of suppliers

Manufacturing supply chains often involve multiple tiers of suppliers, from raw material providers to component manufacturers and assemblers. This makes it difficult to achieve accurate carbon measurements across all levels. A more sophisticated approach is needed to track emissions throughout the entire value chain.

## 3 Inconsistent data

In upstream manufacturing supply chains, emissions estimates often encompass the entire organization. To make meaningful comparisons and improvements, these estimates need to be translated into product-level emissions. Currently, there is no standardized methodology for this, leading to inconsistencies and inaccuracies in data.

## 4 Technological barriers

Many manufacturers lack the advanced technology required to accurately measure and report emissions. Upgrading to modern, automated systems that can provide real-time data and insights is critical for achieving accurate carbon accounting and effective decarbonization.



# The disclosure challenge

There are a number of voluntary and mandatory climate disclosures affecting manufacturers. Here are the most important ones:

## Corporate Sustainability Reporting Directive (CSRD)

- **Scope**  
Large companies and all listed companies, including SMEs.
- **Requirements**  
Report on double materiality (impact on performance and the environment), detailed disclosures on climate change, social rights, governance, and more.
- **Standards**  
European Sustainability Reporting Standards (ESRS).
- **Timeline**  
2024: First reports for large public-interest entities.  
2025: First reports for other large companies.  
2026: First reports for listed SMEs, small credit institutions, and captive insurance.

[Find out more](#)

## International Sustainability Standards Board (ISSB)

- **Scope**  
Recommended for all companies, increasingly mandated by governments and regulators.
- **Requirements**  
Disclose governance, strategy, risk management, and metrics & targets related to sustainability risks and opportunities.
- **Standards**  
ISSB framework.
- **Timeline**  
Varies by jurisdiction; many companies already voluntarily adopting.

[Find out more](#)

## UK Streamlined Energy and Carbon Reporting (SECR)

- **Scope**  
Large UK companies and LLPs.
- **Requirements**  
Report on energy use, GHG emissions, and energy efficiency actions in directors' reports.
- **Standards**  
SECR guidelines.
- **Timeline**  
Annual reporting as part of company reports.

[Find out more](#)

# Withings leverages carbon data to build low-carbon products



## WITHINGS

### COMPANY

Withings is a consumer electronics manufacturer

### SIZE

340 employees

### INDUSTRY

Electronics

### HEADQUARTERS

Issy-les-Moulineaux, France

### WEBSITE

[withings.com](https://withings.com)

- Withings, a French electronics manufacturer of smartwatches, scales, and health monitors, is committed to creating durable and low-carbon products. They began tracking their carbon footprint in October 2021 and issued their first carbon report in early 2022.
- Withings faced difficulties obtaining high-quality emission factors, which are essential for accurate carbon measurement.
- To address these challenges, Withings uses Sweep to track emissions throughout their product life cycles. This visibility is crucial as 85% of Withings' emissions stem from their products.
- Sweep allows Withings to collect carbon data from suppliers, identify emission hotspots, and take strategic actions to reduce their carbon footprint.
- Withings leverages Sweep to compare alternative materials and processes at each stage of a product's life cycle, aiding in the development of low-carbon products. This includes testing materials for climate-friendly packaging.

**'Eco-designing products takes time: You have to test different materials and processes across all life cycle stages. The aim is to create the most durable product with the smallest carbon footprint. Sweep helps us inform the development of our low-carbon products and optimize our overall climate strategy.'**

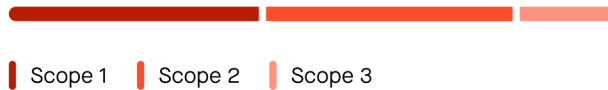


**François Regnier**  
Finance Director at Withings

# A manufacturer's decarbonization journey with Sweep

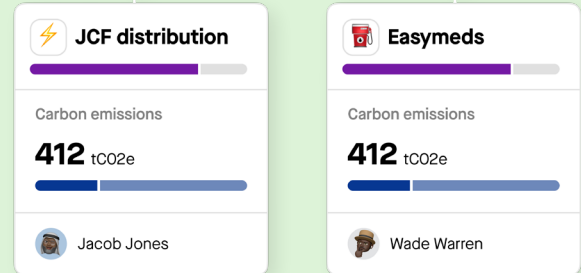
## ESTIMATED EMISSIONS

**458t** ↗ +11%



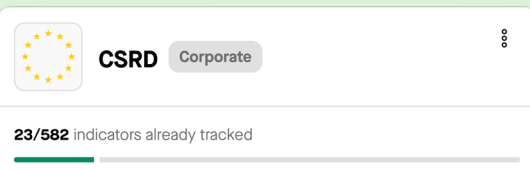
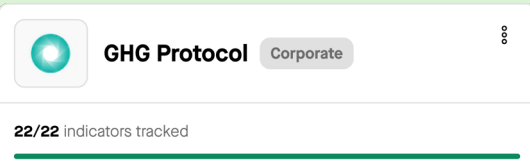
### Step 1 Track your carbon and ESG data

Start by managing your direct emissions. Sweep leverages AI to streamline and automate Scope 1 and 2 emissions data collection, reducing manual workload, ensuring precise tracking,



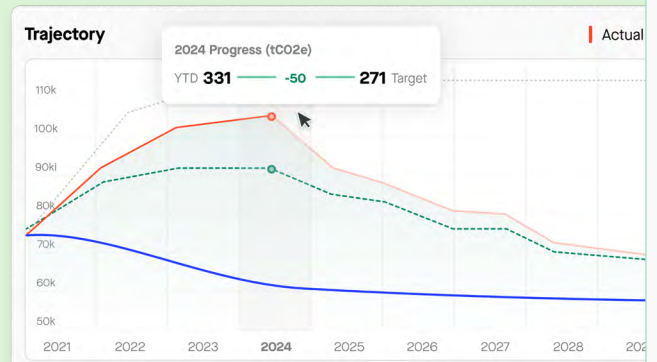
### Step 2 Map your Scope 3 emissions

Moving beyond direct emissions, it's crucial to gain insights into your Scope 3 carbon footprint. Sweep enables you to model your entire value chain using benchmark data and engage suppliers through customizable climate surveys.



### Step 3 Ensure compliance

Navigating the complexities of ESG reporting is vital. Sweep helps you monitor and report against sustainability data, consolidating all extra-financial data in one place to meet the latest ESG reporting requirements seamlessly.



### Step 4 Take action on your carbon footprint

With comprehensive data at your fingertips, it's time to take meaningful action. Sweep empowers you to implement data-driven strategies to achieve your sustainability goals and celebrate your success with customers, suppliers, and stakeholders.

# The Sweep advantage for manufacturers

Join the journey 

By guiding you through each step of the decarbonization journey, Sweep provides a comprehensive and tailored approach to sustainability.

From automating emissions data collection to engaging your supply chain and taking action, Sweep ensures that your manufacturing business not only meets regulatory requirements but also sets a new standard for environmental responsibility.

## Trusted by

**SNF**  
WATER SCIENCE

 **Delfi**<sup>®</sup>

 **BKW**

  
**Kingspan**

**WITHINGS**

**HAMELIN**

