



# NatWest, EcoAct, and Atos can set the sustainability standard for financial services

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FINALIST: SUSTAINABILITY

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**The Situation:** UK banking behemoth NatWest has been accelerating its internal journey to sustainability and turning its success and partnerships into leadership on a global scale. Its next step is the most important: influencing ecosystems and having peers follow suit.

NatWest is an example for other organizations—banks and otherwise. Next, it must address the most significant impact financial services (FS) firms can make on sustainability—influencing their clients and ecosystems. Can NatWest and FS take this chance?

Finance and sustainability are tightly intertwined, and leading FS firms must help scale best practices. Widespread roadmapping of internal sustainability and public disclosure are desperately lacking for all organizations—fewer than 20% have a transition plan aligning to the global context of decarbonization and the 17 UN Goals ([see our separate take](#)). The worrying lack of priority Global 2000 FS firms give to environmental sustainability is apparent in Exhibit 1. But despite the need for FS firms to address their sustainability, as all firms must, the sector must fulfill its vital role in transforming its clients and ecosystems.

We spoke with NatWest about its efforts to-date, but also its opportunity to be a major FS ecosystem leader, that landed it a place as a Sustainability finalist in the HFS OneOffice™ Awards; a team representing its engagement with EcoAct, a climate consultancy acquired by Atos in 2020, was also part of the discussion. We [highlighted this acquisition](#) when it occurred; we can see it marked a massive acceleration in activity throughout the consulting, technology, and services industry on developing sustainability capability internally and for clients, leading to our [Sustainability Services Ecosystem Mapping study](#).

# The financial services industry is vital to global sustainability, but sustainability is frighteningly low on priority lists despite signs of progress

We cannot understate the impact of FS's investments in business, infrastructure, and services in the pursuit of decarbonizing and addressing all [17 UN Goals](#). The link between the FS retail arm and changing consumer behaviors connected with sustainability also gives FS firms significant influence, making Exhibit 1 even more worrying. There are signs of accelerated activity and progress, including recent examples of executive pay [increasingly linked](#) to environmental, social, and governance (ESG) metrics, Santander [acquiring a climate consultancy](#) (and many others expanding their services portfolios), and Coutts (reportedly the bank of Queen Elizabeth II... and Stormzy, a British rapper) integrating ESG throughout its products and services ([which we detail here](#)).

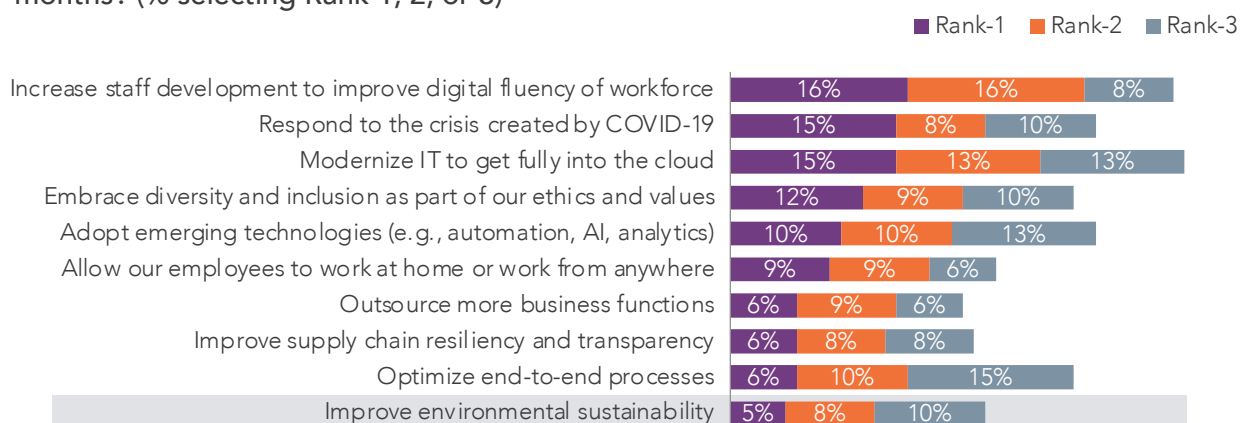
**NatWest needed a comprehensive method for managing energy performance and environmental reporting to have a chance at monitoring and achieving its goals**

NatWest aimed to simultaneously reduce energy consumption and costs (a positive step toward organizations realizing the win-win that sustainability delivers), improve its data quality and reporting accuracy, and improve its engagement with internal and external stakeholders. NatWest needed a new strategy and toolset for a data-driven approach. Its incumbent systems and processes relied on spreadsheets and featured multiple data systems and suppliers, leading to slow reporting and data integrity problems.

In 2020, NatWest increased its ambition to make its operations "climate positive" by 2025. The pandemic challenged this commitment when 50,000 employees were suddenly working from home. The massive work-from-home shift risked falsely impacting emissions reductions, and NatWest needed to distinguish long-term reductions brought about by its actions from those that were a temporary result of the pandemic.

## Exhibit 1: Environmental sustainability is at the bottom of the FS priority list—this must change

What are the major changes to your organization's ways of working over the next 12-18 months? (% selecting Rank 1, 2, or 3)



Sample: 67 financial services leaders  
Source: HFS Pulse Survey, H2 2021

## The Solution: EcoAct, acquired by Atos in 2020, brought a dedicated services team, industry data, and analytics

An EcoAct team embedded within NatWest integrated the bank's reporting processes, and a software platform captured and analyzed data from more than 5,000 locations in 57 countries, facilitating expense management, reporting,

and energy management. EcoAct and NatWest collaborated with a working group of other large organizations to develop a methodology for measuring and reporting homeworking emissions.

## The Results: A win-win of business value and sustainability leadership at a global level

NatWest improved process efficiencies and achieved significant energy and costs savings. A data-driven approach ensured accurate reporting and emissions reductions continued during the pandemic. NatWest outlines the case for sustainability being a win-win across business and ESG outcomes:

- In the first 11 months after investing in EcoAct's technology and services, NatWest realized significant savings and cost avoidance.
- Its more efficient billing validation process saved equally significant amounts.
- Exception reporting realized further energy savings beyond its business-as-usual energy savings.

Reliable data and accurate reporting for communicating NatWest's ambition meant that

as the principal banking partner for COP26, last year's UN climate summit ([see our presentation to the summit here](#)), the bank could demonstrate sustainability was at the core of the bank's purpose—and benefits.

NatWest's homeworking emissions methodology allowed it to calculate and offset all homeworking and commuting emissions (37,596 metric tons of carbon dioxide equivalent). The new methodology gained recognition across NatWest's ecosystem, and the whitepaper became one of EcoAct's most downloaded documents of 2020.

Downloaded whitepapers and internal energy savings are great, but the scale that NatWest, EcoAct, and Atos could achieve in driving the FS space to align to the global sustainability context is the most-critical next step.

## The Bottom Line: A few sustainable organizations will mean nothing if they don't lead ecosystems to collaborate and scale transition plan adoption and execution.

With Atos acquiring EcoAct, both its own and NatWest's ecosystem have grown. Atos brings scale and experience (including with technology and software) to the relationship. EcoAct and NatWest must leverage the Atos ecosystem moving forward. The transition planning and results outlined here need to move from case studies to bigger offerings that can help less-progressive organizations accelerate their sustainability efforts. Atos needs to scale the NatWest example into solutions (call them blueprints, templates, or whatever) that can help the BFS ecosystem plan, accelerate, and deliver under the global sustainability context. But it can't only be a question of internal sustainability.

# HFS Research authors



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Josh Matthews is a Practice Leader at HFS, based in Cambridge, UK. Josh leads HFS's coverage of sustainability and the energy and utilities industries, built on academic and industry expertise across chemical engineering, management, and sustainability. Josh also focuses on supply chain, the TMT (telecom, media, and technology) industry, and the HFS Triple-A Trifecta of automation, analytics, and AI segments. Other subjects of interest and coverage include quantum computing and diversity and inclusion (D&I). Previously, he has covered the internet of things (IoT) and manufacturing.



## Rohan Kulkarni

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Rohan Kulkarni leads the Healthcare and Life Sciences practice at HFS, bringing to bear his vast experience across the healthcare ecosystem. His experience includes being the Head of Healthcare Strategy at multiple Fortune 500 companies such as Xerox, Conduent, and

Concentrix; Product Management executive at Highmark Health; and CIO at Versant Health. He is passionate about the Triple Aim (improving health outcomes, reducing the cost of care, and enhancing the care experience) and believes that health and healthcare is a polymathic opportunity that intersects with every industry and facet of our lives. His well-rounded experience and passion bring a practical approach to his analyst role at HFS.



# About the HFS OneOffice™ Awards

Organizations around the globe must now embrace a world where perfectly aligning business outcomes with their enabling technologies demands focus, nerve, and creativity. The HFS OneOffice Awards showcases those teams and organizations that have embraced change, taken decisive steps, and transformed processes and technology to take their businesses into a new era.

## HFS OneOffice Awards categories:

OneOffice Mindset • Innovation Ecosystem • Diversity • Sustainability  
Native Automation • People and Process Change • Data and Decisions

HFS has a proven history of providing straightforward insights based on research, data, and forward-looking trends. The HFS OneOffice Awards provides a window through which organizations can showcase successful transformation projects and where others can find inspiration and fresh thinking to help them along their journey. Our respected, resourceful, and responsive analyst team brings their experience and knowledge to bear to ensure that successful, proven results are lauded and commended.

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