

"Do no harm" is no longer enough in ESG

Colm McDaid, Interregional Engagement Environment Lead at Fujitsu

The ESG movement has started an important conversation, but it does not go far enough, argues Colm McDaid, Interregional Engagement Environment Lead at Fujitsu. We must expand our thinking from "doing no harm" to healing and regenerating the natural systems that sustain all life.

Investors and stakeholders increasingly use environmental, social, and governance (ESG) criteria to evaluate businesses' sustainability and ethical performance. However, ESG is not only about mitigating the risks of climate change and social inequalities. There is a third big picture that ESG does not adequately address: the impact on nature and biodiversity.

Simply "doing no harm" through more sustainable business practices is not enough. We need to move towards restorative practices that actively heal and regenerate the natural environment. Biodiversity loss, collapsing food chains, and disruptions to the water cycle are undermining the life support systems on which we depend.

Life essentials?

The web of life on Earth depends on nature and biodiversity. The air we breathe, the water we drink, and the food we eat all rely on functioning ecosystems. Forests purify our air and regulate rainfall. Insects, birds, and bats pollinate crops. Wetlands filter water and absorb floods. Coral reefs buffer coasts from storms. And this biodiversity provides us with ingredients for medicines that save lives. Yet, due to human activities like habitat destruction, overexploitation, pollution, invasive species, and climate change, species are going extinct at an alarming rate.

The World Economic Forum puts biodiversity loss among the top threats facing humanity, and the UN Convention on Biological Diversity calls for urgent action to halt and reverse declines. Its vision is a nature-positive world by 2050, where we go beyond avoiding damage to actively restoring and improving natural systems. It's an ambitious but necessary goal - if we want to continue thriving on a livable planet.

Non-linear thinking

With limited natural resources and rising environmental pressures, it's clear our current economic system needs an overhaul. The dominant linear model of taking resources, making products, and disposing of waste is no longer sustainable. Instead, we should transition to a circular economy where resources are kept in use for as long as possible. The aim is to eliminate waste by designing out toxic chemicals, maximizing product lifetime through durable design and repair, and recovering materials at end-of-life through recycling and upcycling.

A circular system can breathe new life into our economies through innovation in smart design, service-based business models, and industrial symbiosis. Decoupling economic growth from resource consumption offers the promise of sustainable prosperity inclusive of both people and the planet. The circular economy presents an inspiring vision of an economy that can meet present needs without compromising the future. The time to realize that vision is now.

At the policy level, many countries and regions are already doing something about it. Japan, for example, has established a legal framework for a sound material-cycle society based on the principles of reducing waste, reusing and recycling materials, and restoring natural capital. The EU has adopted a circular economy action plan as part of its green deal, covering all sectors and stages of the product life cycle. It includes initiatives on product design, waste prevention, reuse, repair, recycling, consumption, green public procurement, industrial symbiosis, bio-based materials, and digitalization. The UK has implemented some of the EU's circular economy policies into national law. And the US has enacted a law to address the marine debris crisis.

The role of technology

Technological innovation will also play a crucial role. Digital traceability solutions can track materials across complex global supply chains. Smart sensors and IoT can optimize resource use and identify efficiencies. Machine learning can help predict

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patterns of use, performance, and failure to inform circular design. Advances in materials science can facilitate the substitution of hazardous chemicals in production processes.

Fujitsu aims to create a world in harmony with nature through digital technology. It has formulated its vision for 2050, its 2030 mid-term target, and its 2025 short-term target in line with international targets for biodiversity conservation. Fujitsu is also implementing activities to reduce its negative impacts and increase its positive effects on biodiversity in its corporate activities, including its supply chain.

Some of these activities include promoting green procurement, reducing water consumption and wastewater discharge, supporting forest conservation projects, and developing digital solutions for environmental management. Fujitsu is also exploring how technologies like AI, IoT, and blockchain can be applied to challenges like sustainable agriculture, ecosystem monitoring, resource optimization, and the transition to a circular economy.

Businesses have a chance to be part of the solution for our planetary crises. By factoring nature and biodiversity into their ESG frameworks, they can build value and align operations with ecological limits. This creates ripple effects supporting wider social and development goals. Responsible corporate citizens know healthy societies rely on healthy environments. If we want to continue prospering on this planet, we must learn to thrive in harmony with nature, not at its expense. Responsible global corporate citizens have the opportunity and the responsibility to act now and make a difference for the future of life on Earth.

Colm McDaid

Interregional Engagement Environment Lead at Fujitsu



Colm joined Fujitsu in 2008 providing Technical Design Solutions for Public Sector and Commercial clients. Inspired by Fujitsu's Purpose to “Make the world more sustainable by building trust in society through innovation” he gained expertise in a wide range of Sustainability fields.

A Chartered environmentalist he has held many leadership roles including Sustainability Lead for Europe and Leader of sustainability management, sales and consultancy. In his role, Colm is responsible for ensuring that, as a global company, Fujitsu is unified under the framework for our sustainability management, “GRB (Global Responsible Business)”. That we work in a harmonised way to promote and proactively accelerate initiatives that prioritise a positive impact upon the environment. Helping to deliver on our purpose and create valuable outcomes for People, Planet and a Prosperous future.