



Start-up company solves new EU requirements on sustainability reporting: - The interest is overwhelming

Celsia, a recent Norwegian software startup, has gained a number of high-profile customers for its EU Taxonomy reporting solution within its first year of operation. Industrial companies such as Fred Olsen & Co, Quantafuel and Aker BioMarine are among the clients using software to make the process of EU Taxonomy assessment as correct and efficient as possible.

It has traditionally been difficult to say how sustainable one company is compared to another. The challenge of quantifying and comparing sustainability has prevented the financial world from using companies' sustainability in investment and lending decisions. With the EU Taxonomy, the EU has launched a far-reaching initiative to tackle it. The EU Taxonomy is a comprehensive framework that defines when an activity can be considered sustainable.

Many companies are hit by new reporting requirements

From the new year, the 12,000 largest companies in the EU are required to report in line with the regulations, and within a few years the 50,000 largest companies in the EU will be covered by the same requirements. Of these, 1,100 companies are Norwegian, many of them poorly prepared for the requirements.

- We chose Celsia because we wanted a system that solves the specific challenges of the EU Taxonomy very well, rather than a broader system that is less specialized. It is important for Bonheur to report correctly and accurately on how sustainable we are, which is also something the capital markets are increasingly focused on, says Jørn Johansen, Chief Group Controller at Bonheur and Fred Olsen & Co.

Although there is no requirement for audits of companies' EU Taxonomy reporting yet, it is on its way. Celsia offers verification conducted by a third party, which DNV and Norconsult have already carried out through Celsia's software.

Increasing use of software systems for sustainability

In line with a strongly increasing focus on sustainability in recent years, many companies have adopted software tools to help them. Cathrine Dehli, head of sustainability at Celsia, welcomes the development.

- Sustainability is finally becoming more data-driven. I have worked with sustainability for more than 20 years, and the area has never been as quantitative as it is today. This drives the need for software solutions in the sustainability teams, in the same way that other functions in companies have adopted different types of software.

Hilde Støle Pettersen, partner in the venture fund Momentum, is among the companies committed to using best-of-breed tools.

- We needed a solution that could help us efficiently score our fund's portfolio companies according to the EU Taxonomy. We chose Celsia because they have deep competence on sustainability and especially the EU Taxonomy, and because they have managed to create a simple and intuitive tool for a quite complex EU Taxonomy regulation, she says.

Increasing interest from investors and banks

Investors and banks are also affected by requirements for EU Taxonomy reporting. DNB is among the players who use Celsia, and who work closely with the company in its development of new, simpler solutions for sustainability reporting, also for SMEs.

- The new requirements for sustainability reporting are about compliance, but banks should see them as an opportunity. Use the need for more sustainability data from customers as an opportunity to give them something of value in return, and which enables customers to become more sustainable, says Petter Reistad, CEO at Celsia.

Preparing for growth

Last year, Celsia carried out a financing round in which, among other things, Norway's largest industrial conglomerate Aker ASA's venture fund participated. They are now hiring to be able to expand the product portfolio.

- We understand that the jungle of new requirements for sustainability reporting can be overwhelming. We have started with the EU Taxonomy, but are working to cover all mandatory sustainability reporting. As a user of Celsia, you should be well covered - now and in the future, concludes Petter Reistad.

Do you want to know more? Contact us and get a demonstration of the system at www.celsia.io

Fact box:

Celsia

Norwegian software company with a system for EU Taxonomy reporting

Headquarters: Oslo

Website: www.celsia.io

Selected customers: DNB, Investinor, Bonheur and Fred Olsen & Co.

Caption:

CFO at DNB, Ida Lerner, and the entrepreneurial team at Celsia, Morten Hillbom, Cathrine Dehli and Petter Reistad (photo: Stig B. Fiksdahl)