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Reduce ESG Risks & Improve CSRD Reporting with Blancco

The European Union's (EU) Corporate Sustainability Reporting Directive (CSRD) makes environmental, social, and governance (ESG) reporting mandatory for around 50,000 EU-focused organizations.

These enterprises must now provide regular, standardized access to information about their ESG risks, impacts, and opportunities. The first phase of CSRD reporting for any companies previously subject to the Non-Financial Reporting Directive (NFRD) begins in 2025. Reporting for all other organizations will follow in subsequent years.

There is a short deadline to deliver an unprecedented amount of detail, and failure to comply could result in stringent financial penalties and possible prison sentences.

Blancco's data erasure solutions support compliance with this significant new legislation.

Enterprises must reduce ESG risks and impacts

Under the CSRD, organizations must disclose the material ESG risks and consequences arising from the creation and delivery of their goods or services.

Critically, they must also report on these factors throughout the value chain, from pre-manufacture to end use.

The organizing principle behind CSRD reporting is the European Sustainability Reporting Standards (ESRS) framework. The ESRS includes two cross-cutting standards (general standards that apply to all companies regardless of the sustainability topic) and ten standards based on topics such as climate change and the treatment of employees.

How your company reports on these individual factors (via a mix of qualitative and quantitative data) depends on the "materiality" of the various risks, impacts, and opportunities in each standard.

To meet CSRD reporting requirements, enterprises should, where possible, reduce the financial and societal materiality of their risks, impacts, and opportunities to the point where they are less material, or even immaterial. Secondly, enterprises must provide reputable data showing the steps they are taking and the concrete results stemming from their actions.

The table in the following section sets out how Blancco data erasure solutions support these goals in the context of the ESRS.

ESRS	TOPIC & SUB-TOPICS	HOW BLANCCO HELPS
ESRS E1	Climate change ☑ Climate change adaptation ☑ Climate change mitigation ☑ Energy	ESRS E1 emphasizes the importance of addressing greenhouse gas (GHG) emissions to mitigate climate change. Data centers require vast amounts of energy to store and process data, yet around one-third of enterprise data is redundant, obsolete, or trivial (ROT). Sanitizing ROT data from active storage environments reduces your company's emissions footprint and decreases the impact of data storage and its associated scope 3 emissions. Blancco File Eraser, Blancco LUN Eraser, and Blancco Virtual Machine Eraser all selectively sanitize data in enterprise environments with no need to destroy storage devices.
ESRS E1	Climate change ☑ Climate change adaptation ☑ Climate change mitigation ☑ Energy	The creation, use, and disposal of IT assets, such as computers and servers, are also major contributors to value chain emissions. For example, the mining, manufacturing, and transportation needed for new laptops has a significant environmental cost. It's estimated that the production of a new laptop generates around 250kg of CO_2 — the equivalent of driving a car from New York to Miami, or London to Rome. Given that the global market for new laptops may exceed 200 million units a year, the impact is staggering. Enterprises can reduce their emissions by minimizing new IT purchases and focusing on securely erasing and then reusing existing devices. At the other end of the asset lifecycle, physical destruction results in catastrophic stores of unrecycled e-waste. This e-waste pollutes the earth and is responsible for over 850 million metric tons of CO_2 compounds, exceeding the CO_2 footprint of global air travel in 2022. Businesses can reduce the amount of e-waste they generate by securely erasing devices instead of physical destruction, or as an added step before recycling. Blancco Drive Eraser, Blancco Mobile Diagnostics & Erasure, and Blancco Eraser for Apple Devices all secure assets so they can rejoin the circular economy. To date, Blancco solutions have erased over 250 million devices and drives.
ESRS E1	Climate change ☑ Climate change adaptation ☑ Climate change mitigation ☑ Energy	In addition to mitigating risk and impact, accurate reporting is essential. Blancco Management Portal, used by customers to centrally manage and audit erasures, features sustainability dashboards tracking CO_2 emissions avoided through the use of Blancco device erasure solutions. In FY2022, Blancco solutions sanitized devices weighing 107.1 million kg, saving a pre-use carbon footprint of 8.3 billion kg of CO_2.

ESRS	TOPIC & SUB-TOPICS	HOW BLANCCO HELPS
ESRS E2	Pollution ☑ Pollution of air ☑ Pollution of water ☑ Pollution of soil ☑ Pollution of living organisms and food resources ☑ Substances of concern ☑ Substances of very high concern ☑ Microplastics	In 2022, the world threw away enough e-waste to fill a line of trucks stretching around the equator. This massive waste stream has a negative impact on the environment because non-compliant e-waste management releases 58,000 kg of mercury and 45 million kg of plastics into the environment annually. In fact, the single biggest price of e-waste is the $78 billion of costs to people and the environment that stems from lead and mercury emissions, plastic leakages, and contributions to global warming. Blancco Drive Eraser, Blancco Eraser for Apple Devices, Blancco Removable Media Eraser, and Blancco Mobile Diagnostics & Erasure sanitize assets for secure reuse or redeployment. This positive cycle of reuse fuels the circular economy and reduces the materiality of the pollution contributed through IT hardware. Asset disposal is not the only environmental risk for the environment. Creating new devices, particularly through the mining of cobalt, silicon, and other materials, can result in the pollution of air and groundwater. The way to reduce the impact of new devices is to minimize purchasing and maximize device reuse and longevity.
ESRS E3	Water and marine resources ☑ Water consumption ☑ Water withdrawals ☑ Water discharges ☑ Water discharges in the oceans ☑ Extraction and use of marine resources	The production of new IT assets is extremely water intensive. One commonly quoted statistic is that each new laptop requires 50,000 gallons (190,000 liters) of water, resulting from the manufacture of semiconductors and the production, cooling, and cleaning of other components. Mobile devices and other IT equipment also require a significant amount of water. By securely erasing assets with Blancco Drive Eraser, Blancco Eraser for Apple Devices, Blancco Removable Media Eraser, and Blancco Mobile Diagnostics & Erasure, you can confidently reuse or resell them. This reduces the need to purchase new hardware and lowers the associated water costs.
ESRS E3	Water and marine resources ☑ Water consumption ☑ Water withdrawals ☑ Water discharges ☑ Water discharges in the oceans ☑ Extraction and use of marine resources	For data centers to run uninterrupted, water-powered cooling systems are critical. It is estimated that conventional data centers use 18,000 gallons (68,000 liters) of water per day, while hyperscalers use 550,000 gallons (2 million liters) per day. Google's data centers alone consumed 5.5 billion gallons (20 billion liters) of water in 2022. These figures are predicted to increase drastically due to AI. A single Google search requires half a milliliter of water, while ChatGPT consumes 500 milliliters for five to 50 prompts. Companies must seek to reduce data bloat if they want to mitigate the water consumption burden incurred by enterprise data. Blancco File Eraser, Blancco LUN Eraser, and Blancco Virtual Machine Eraser all sanitize data in live environments with no downtime needed.

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ESRS E5	Circular economy ☑ Resources inflows, including resource use ☑ Resource outflows related to products and services ☑ Waste	ESRS E5 examines how organizations avoid resource depletion in favor of the sustainable sourcing and use of renewable resources. The standard is also a place for companies to outline business strategies in line with circular economy principles, including minimizing waste and maintaining the value of products. Blancco Drive Eraser, Blancco Eraser for Apple Devices, Blancco Removable Media Eraser, and Blancco Mobile Diagnostics & Erasure empower enterprises to implement highly impactful asset reuse policies that reduce waste and fuel the circular economy — all while staying compliant with stringent data protection regulations. The reporting for this standard includes metrics such as changes to resource inflows, outflows, and circular material use rate. Blancco Management Portal's centralized view of all device and drive erasures makes it easy to track changes in reuse vs. destruction rates.
ESRS S2	Workers in the value chain ☑ Working conditions	The ESRS S2 standard makes it clear that a company's social responsibilities extend far beyond the people it directly employs. Where risks and impacts are material, this standard applies to all upstream and downstream value chain workers. Whether your company's risks and impacts are material depends partly on scale. If your organization uses, disposes of, and repurchases thousands of new IT assets each year, the impact on value chain workers will be more material. Thus, there are numerous factors to consider, such as which countries these items come from, how they are mined and manufactured, and the possibility of forced and child labor. The U.S. Department of Labor has reported that not only are electronics made using forced and child labor in some countries, but that cobalt mining (used in lithium-ion batteries) is a major source of value chain risk. One way companies can reduce their impacts and risks is to minimize device purchasing and focus on maximizing secure lifecycle extensions through reuse, refurbishment, and redeployment. Blancco helps thousands of customers to achieve this.
ESRS S3	Affected communities ☑ Communities' economic, social and cultural rights ☑ Communities' civil and political rights ☑ Rights of indigenous peoples	In addition to the direct impact on workers, the manufacture of IT assets creates ESG risks that affect local communities. In Taiwan, where most of the world's semiconductor manufacturing is based, the industrial requirement for water is so high that there have been repeated conflicts with other uses. For example, the Taiwanese government has subsidized some farmers to stop growing rice so that the water can used elsewhere. Similar water and land-related impacts must be considered by companies with high-volume IT asset turnover. Transitioning to a more just settlement for these communities may require a shift to less new asset purchasing and greater reuse. One area where companies can have a positive impact on communities is through the donation of used assets to specialist charities. For example, Blancco provides free device erasures to the Turing Trust, a UK-based charity that distributes used technology to schools and other projects in Africa. The Trust's work empowers communities and bridges the digital divide in places where technology would otherwise not reach. Through this kind of secure partnership, your company can deliver risk-free opportunities for global communities.

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ESRS S4	Consumers and end users ☑ Information-related impacts for consumers and/or end users ☑ Personal safety of consumers and/or end users ☑ Social inclusion of consumers and/or end users	Data privacy and the protection of consumer data is a key governance issue in the CSRD. Companies that fail to secure data are more open to the risk of data breaches. As these breaches can impact the health and safety of consumers, they are viewed as possible sources of ESG risk. End-of-life asset disposal and the retention of massive amounts of unnecessary data are both attack vectors that increase your organization's vulnerability. By irrecoverably erasing end-of-life assets and regularly sanitizing active storage environments, you can shrink these vulnerabilities, reducing the chances of a breach and lowering the amount of data that can be compromised in the event that one happens. Blancco offers the most tested, approved, and certified data erasure solutions on the market. Our software has been accredited by 13+ leading security agencies and governmental bodies worldwide, and we offer 25 international data erasure standards. In over two decades of operation, no data has been breached from a device erased with Blancco.

Take control of your ESG risks, impacts, and opportunities

CSRD reporting puts affected enterprises under pressure to conform to a set of exacting new standards.

While this is certainly a challenge, it is also an opportunity to examine internal processes and audit external relationships to ensure maximum sustainability. Not only will this reduce the materiality of risks and impacts, but it has the potential to create new financial and sustainability opportunities.

Reevaluating operations to take positive actions, such as working with carbon neutral vendors or ceasing the physical destruction of assets, represents more than a reporting requirement—it's an opportunity to do things better for the future.

Why Blancco?

For more than 27 years, Blancco has offered solutions that support compliance with data protection and privacy regulations and guidelines worldwide. With 13+ global industry and government approvals and certifications from the likes of NATO, Common Criteria, and ADISA, we support regulatory compliance through data erasure solutions that satisfy (and often exceed) data privacy and protection requirements.

This level of data sanitization also enables organizations to confidently redeploy assets and advance their environmental sustainability goals.

With ESG regulation and enterprise data both on the rise, discover how your business can do more to combat data bloat and e-waste in Sustainability Costs of End-of-Life Data.