



# **Why Technology is the Key to Enabling Sustainability**

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Live Tweeting #EGresponsible

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# Introductions



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# Discussion points for today

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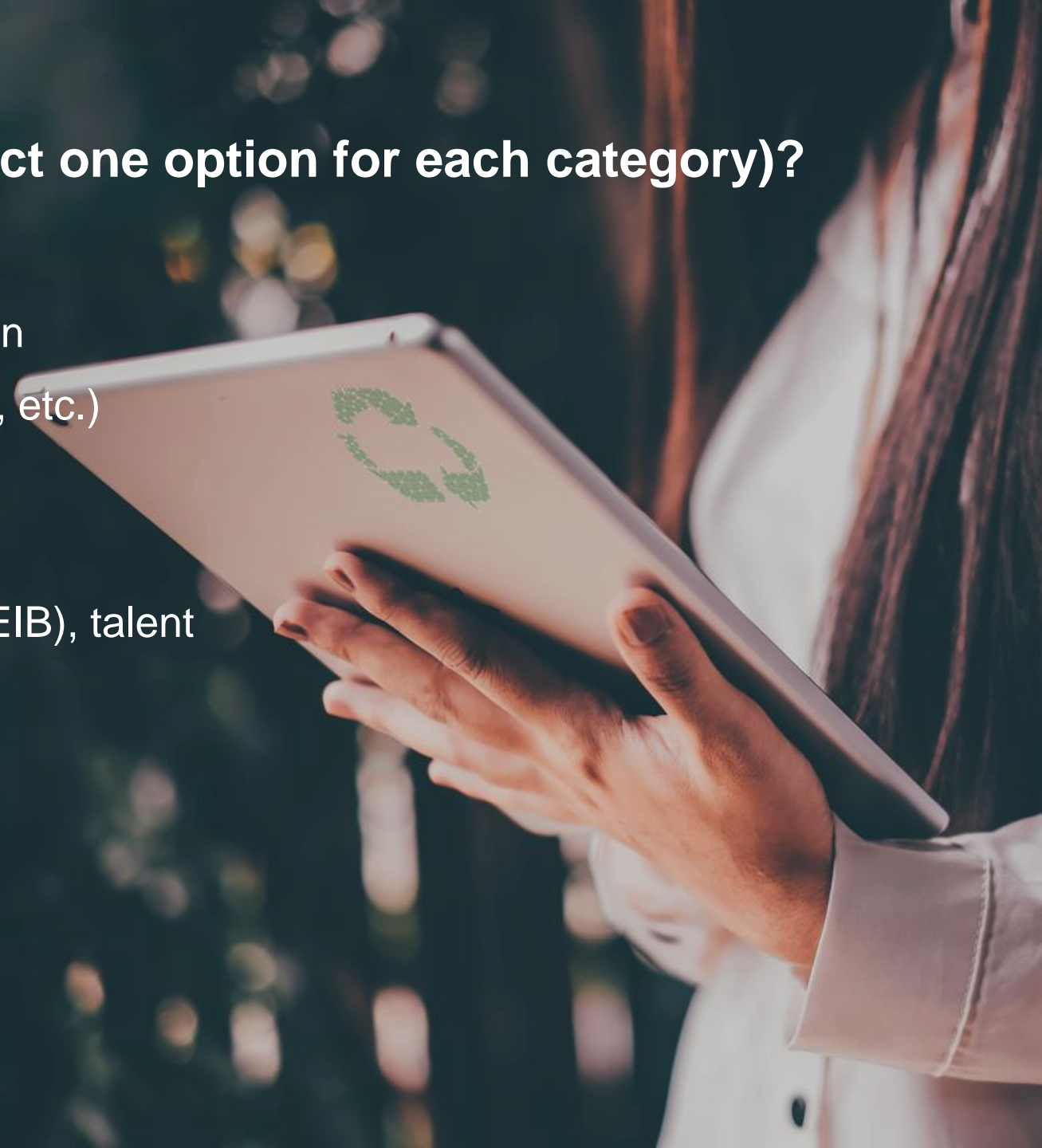
**Role of technology in  
sustainability enablement**

**Service providers as  
strategic partners in  
enabling sustainability**



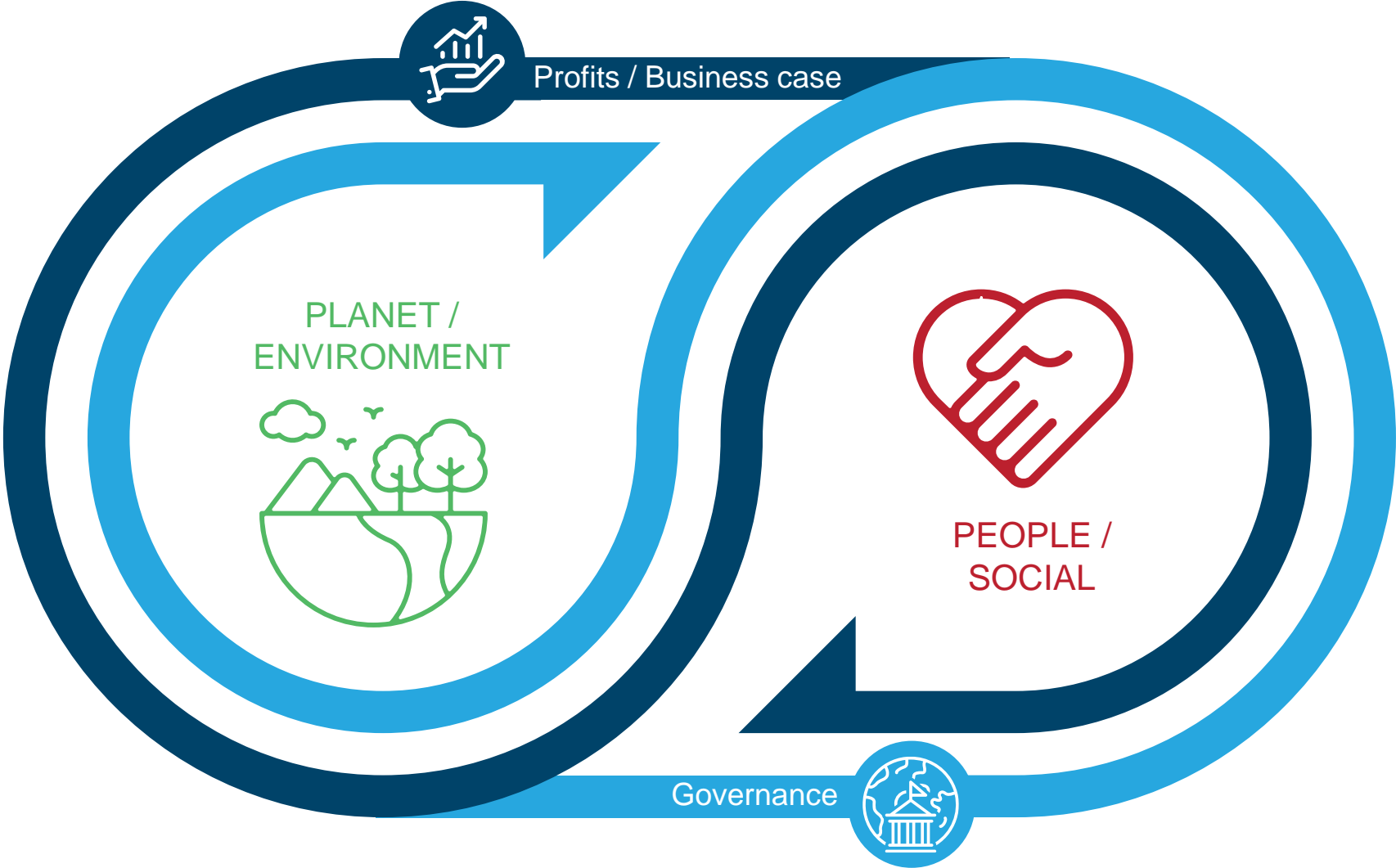
## What are your top ESG objectives (select one option for each category)?

- Environment
  - Carbon footprint management, decarbonization
  - Resource management (energy, water, waste, etc.)
- Social
  - Occupational health, safety, and wellness
  - Diversity, Equity, Inclusion, and Belonging (DEIB), talent
  - Employee engagement, volunteering, etc.
- Governance
  - ESG Reporting
  - Corporate governance
  - Code of conduct



# The purpose framework depicts Everest Group's definition for sustainability

NOT EXHAUSTIVE



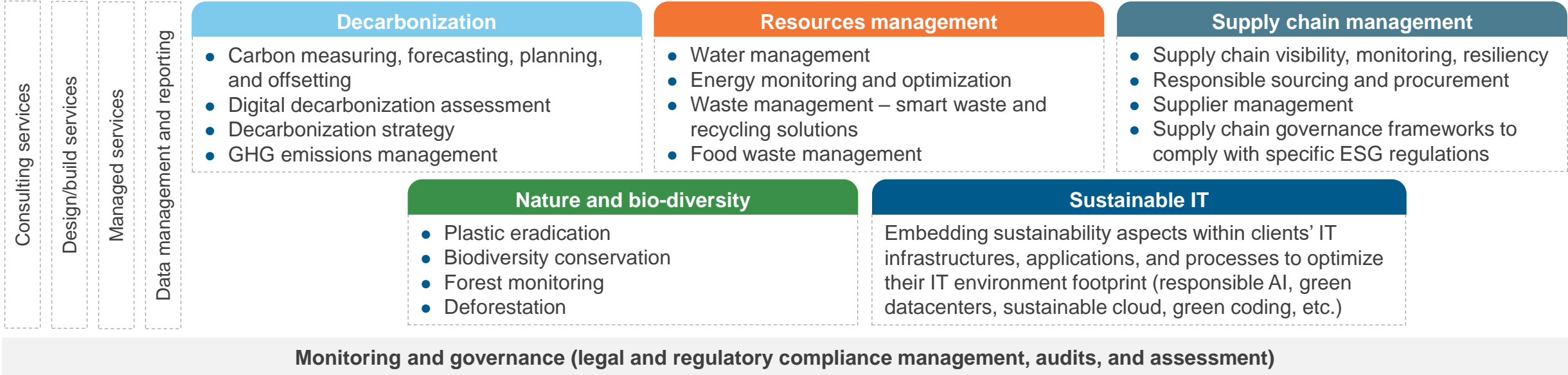
# Services specific to the planet aspects of sustainability

ILLUSTRATIVE



## Services focused on environmental impact

Assisting clients with creating an interconnected, circular economy while taking active steps to tackle climate change. Potential areas of impact include:



# Services specific to the people aspects of sustainability

ILLUSTRATIVE



## Services focused on societal impact

Assisting clients in incorporating Diversity, Equity, Inclusivity, and Belonging (DEIB) within their organizations as well as improving their health, safety, and accessibility. Potential areas of impact include

Consulting services	Design/build services	Managed services	Data management and reporting	<b>Health &amp; safety</b>	<b>DEIB</b>
				<ul style="list-style-type: none"><li>Occupational health, safety, and wellness</li><li>Job safety / hazard analysis; operational risk management</li><li>Incident management / facility management</li><li>Data security and privacy; consumer protection</li></ul>	<ul style="list-style-type: none"><li>Impact sourcing; inclusive recruitment</li><li>Workforce engagement</li><li>L&amp;D (skilling, talent development, continuous learning)</li><li>Suppliers' DEIB strategies, policies, and practices</li></ul>
				<b>Accessibility</b>	<b>Community impact</b>
				<ul style="list-style-type: none"><li>Digital accessibility for employees / customers / partner ecosystem / communities</li><li>Assistive technologies in the workplace</li></ul>	Services and technology initiatives that help enterprises create value for local and global communities where they operate and serve

Monitoring and governance (legal and regulatory compliance management, audits, and assessment)


# Services that enable the business case for sustainability

ILLUSTRATIVE



## Services focused on economic impact

Assisting clients with designing/building revenue-generating products/services for clients and/or to build/run/manage the technology estate service/deliver these products/services. Potential areas of impact include:



1

Sustainability for revenue and profitability



2

Sustainability for competitive differentiation

## Illustrative industry-specific use cases

BFSI

- Sustainable lending solutions
- Manage sustainable investing portfolio

Healthcare and life sciences

- Smart resources management for operational efficiency
- Rare disease studies

Retail, CPG, & manufacturing

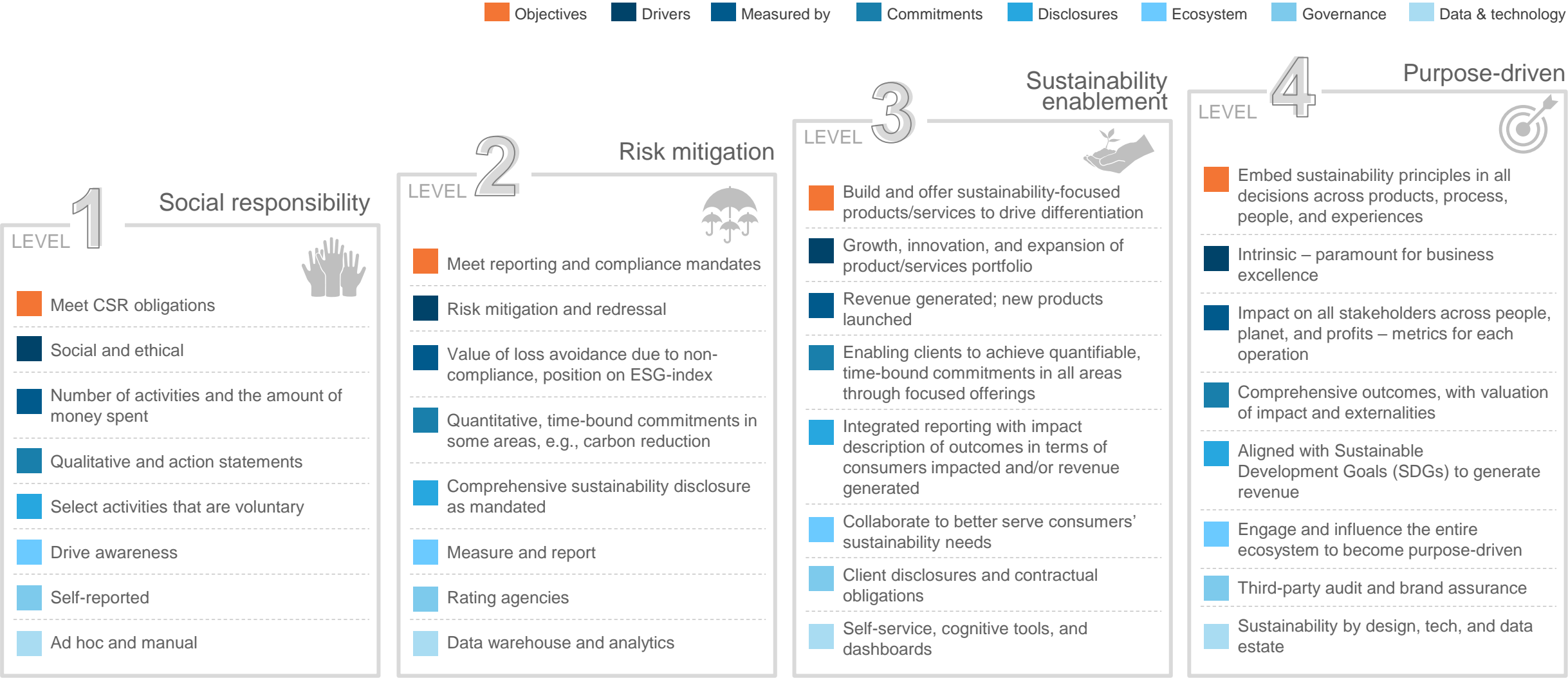
- Sustainability marketed products
- Targeting sustainability-conscious consumer segments

Hi-tech

- Decarbonized data centers, infrastructure, and computing
- ESG data reporting and analytics tools and software



# Most enterprises are very far from achieving purpose-driven maturity and will need significant strategizing and investments to become truly purpose-driven



# Summary of key demand themes | sustainability enablement technology services



**Toward sustainability 4.0:** accelerated by the pandemic, climate induced disasters, and the rise of the environmentally-conscious Generation Green, awareness about the importance of sustainability is permeating the stakeholder mindset in virtually every sector of the global economy



**Rising regulatory mandates:** to stay compliance ready, enterprises are accelerating the adoption of sustainability services related to ESG data reporting and analysis, compliance management, risk assessment, and auditing



**Pressure is growing on boardrooms and the C-suite to commit substantially to sustainability goals**

- **Investor push:** regulations and pressures from limited and general partners are pushing private markets toward widespread ESG adoption
- **Stakeholder consciousness:** a large proportion Gen Z and millennial end-consumers as well as employees are integrating sustainability into their behaviors, taking note of positive corporate action and rewarding them with loyalty



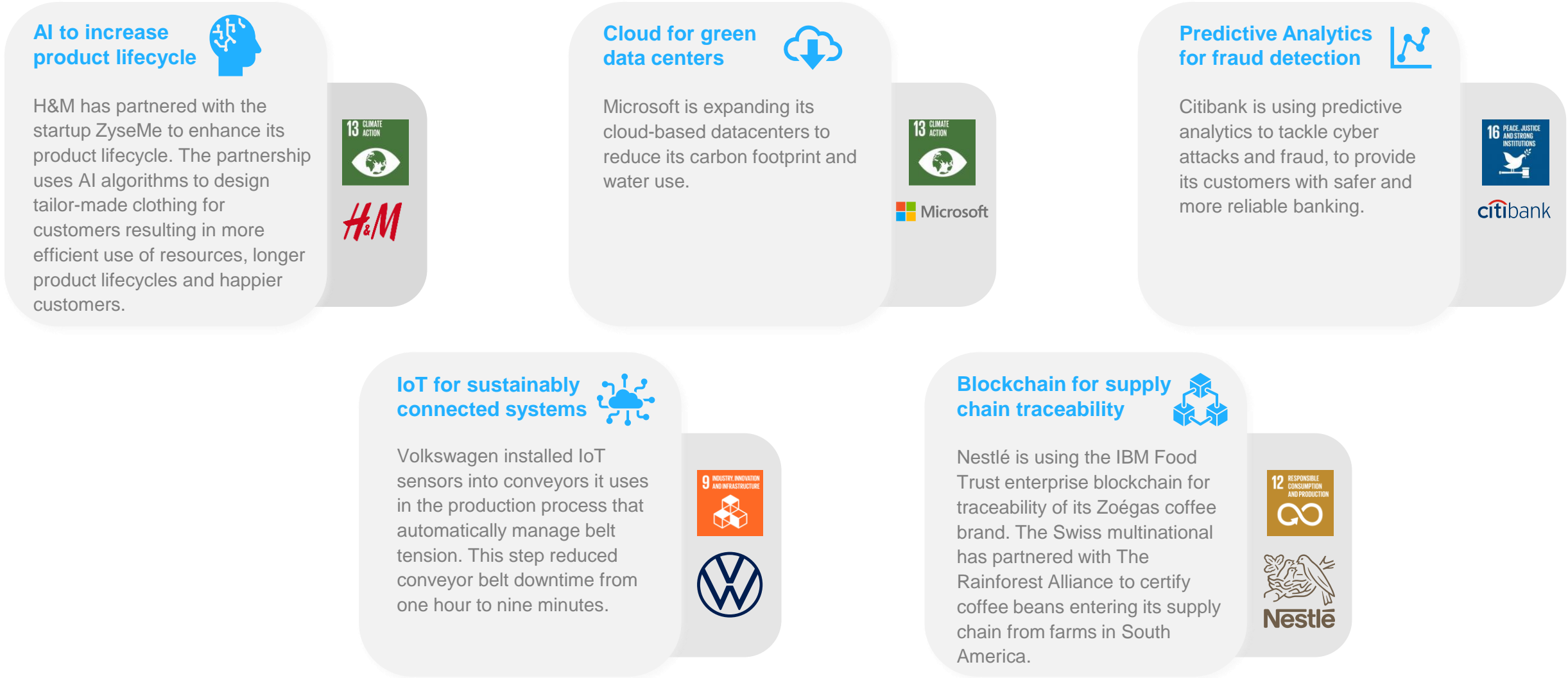
**Demystifying the global ESG standards:** there is an exponential increase in the number of frameworks such as SASB, GRI, CDP, UNGP, SDG among others, that companies need to adapt to an agile mechanism that helps them scale their reporting methods



**Building sustainable value chains:** as businesses organize around their ESG commitments, they increasingly prefer to collaborate with sustainability-focused suppliers



# Large enterprises across industries are leading by example by using technology to become truly purpose driven



# Factors such as domain expertise, talent readiness, and experience play a crucial role in enterprises' preferred approach for sourcing sustainability opportunity



# Enterprises are eager to collaborate with sustainability-oriented partners that can guarantee direct tangible outcomes

“

More than a lack of capabilities, this is still an immature field of knowledge and application, in full development, where standards have not yet been defined. Both customers and suppliers will need to continue developing capabilities in this field in the coming years.

– Sustainability Department IT Team Lead, large utility services firm

”

“

Some key short-term challenges are in the accessibility and tracking of data, for example, data from suppliers across the value chain, and in the adaptation of ERPs to systematically collect data and indicators to quantify the environmental impacts across different dimensions (scope 1 ,2 , 3).

– Chief Technology Officer, luxury automotive firm

”

“

The concept of using the latest technology for sustainability enablement is a simple concept but requires a huge internal change management. We are keen to collaborate with partners that can showcase proof of value to help us address these internal barriers.

– Senior Director, IT, multinational medical technologies corporation

”

“

There is an increased focus on ESG reporting with multiple new regulations and global standards (GRI, CDP, etc.). However, we are being cautious about balancing all aspects of sustainable innovation – safety, quality, performance, and cost. The vision is to be equally good in all four dimensions.

– Digital Business Analyst, large global CPG firm

”

# Calibrate your sustainability journey | complimentary access to expert analysis and best practices



Calibrate your sustainability journey; get our views on:

- Identifying key ESG related KPIs
- Designing sustainability delivery teams
- Understanding outsourcing options (**best practices vendor landscape**): tiered use of suppliers and construct transparency

## HOW

To request the complimentary access, contact Rita Soni, Arpita Dwivedi, or Meenakshi Narayanan (email addresses at the end of the presentation) or indicate your selection on the post-webinar survey

Offer accessible to organizations that use services, not those commercially selling services

# Discussion points for today

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Role of technology in  
sustainability enablement

Service providers as  
strategic partners in  
enabling sustainability





## **Second poll: What are your key challenges as you execute your sustainability strategy?**

- Lack of awareness of the opportunity
- Lack of technical knowledge and expertise
- Getting the right data to track
- Sourcing the right talent to scale sustainability initiatives
- Overcoming internal resistance and challenges in driving sustainability initiatives
- Instituting the operational framework to run it
- Establishing governance to measure progress

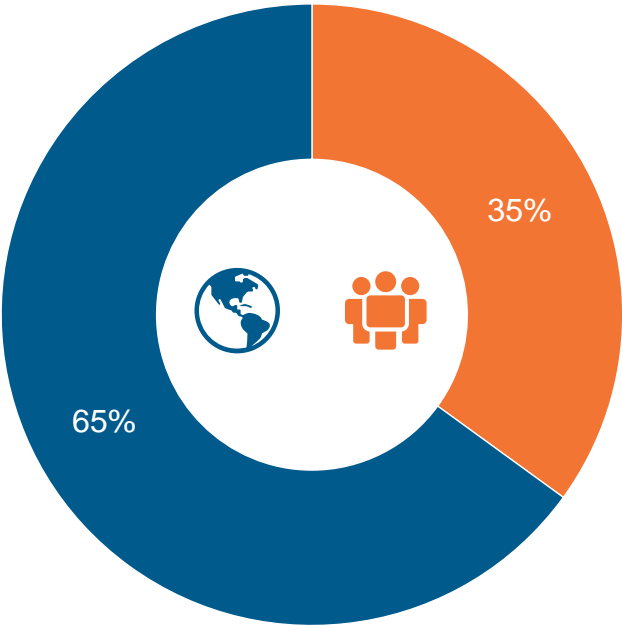




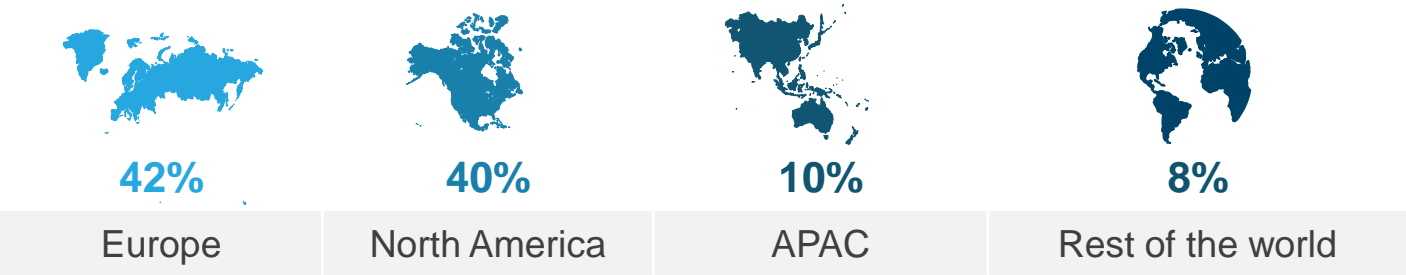
# Sustainability enablement services are becoming a global phenomenon, expanding across all geographies and industries

Client spread between planet and people led engagements

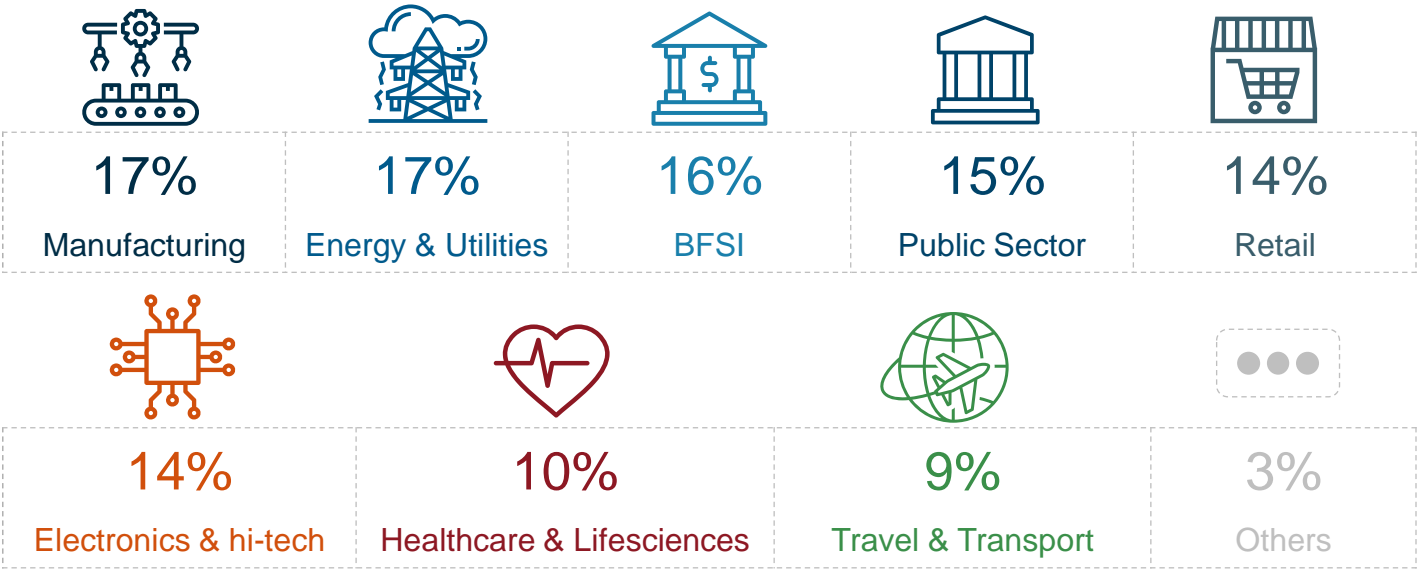
People Planet



Client spread across geographies



Client spread across industries















Source: Everest Group (2022)

# Enterprises are extensively collaborating with service providers on ESG data reporting, compliance management, and net zero strategy development

Although the current demand is significantly higher for planet-related use cases, the pandemic has brought people-focused issues onto the radar for buyers and service providers



High
Low
Extent of adoption

Use cases	Description	Impact delivered
ESG data reporting, auditing, and compliance	Data collection and dashboarding services to generate insights on optimizing the ESG footprint; auditing and compliance management services	  
Net Zero strategy and risk assessment	Building roadmaps for net zero strategy, climate risk assessments, and reduction of carbon and energy footprints	 
EHS services	Employee health and safety and incident management especially in the manufacturing, chemicals, and utilities sectors	  
Lifecycle assessment of products and buildings, and certifications	Certification and lifecycle assessment of green buildings, cities, and other products	 
Accessibility services	Making applications, websites, and other digital products and services accessible to a wider range of the population	 

# Service providers are taking a variety of approaches to reaffirm their positions as go-to contenders for large-scale sustainability enablement services engagements

## Targeting large deals



### Internal capability enhancement

- Full stack capabilities
- Verticalized IP
- Persona-based solutioning



### Acquisitions

- Acquire domain-specific expertise
- Consolidate vendors
- Expand geographic presence



### Partnerships

- Jointly GTM/co-innovate
- Expand offerings across the value chain
- Investment in niche ESG startups



### Talent

- Appoint dedicated global and regional sustainability heads
- Hire ESG consultants/experts
- Upskill through sustainability-focused training programs

# How to accelerate your sustainability enablement services portfolio

Complimentary access to expert briefing on sustainability enablement services

Offer accessible to service providers



## Establish yourself as a strategic partner for clients in their sustainability journeys


- How to structure your sustainability practice and integrate it across other service lines
- How to scale your portfolio of offerings
- How to drive business value-led messaging for sustainability leads
- How to future-proof your workforce to improve client satisfaction in sustainability engagements

HOW


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# Service providers need to integrate their capabilities, build the right talent, and deliver solutions by collaborating with niche ESG players


## Implications for service providers




Carve out a unique position in the market by integrating capabilities and offerings around ESG services under a single brand umbrella.




Build a robust partnership ecosystem by partnering with niche ESG software vendors, rating agencies, technology vendors, and academic organizations, and accelerate co-innovation and joint GTM plans with them.



Invest in innovative and flexible pricing models that suit a wide range of enterprise clients and take ownership of performance against key KPIs to become a true partner with customers.



Focus on building and retaining the right kind of talent that is a mix of technological expertise, and creative and ESG-related domain expertise.



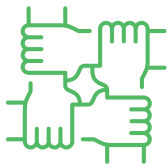
# Buyers need to take advantage of the expanding sustainability vendor ecosystem and accelerate technology adoption to achieve their ESG goals

## Implications for buyers

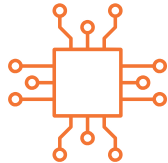
Although enterprises are currently focusing on climate change, balance ESG goals by bringing the lens of people into their thinking.



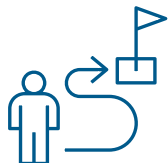
Buyers will encounter significant challenges in their sustainability journeys, so a collaborative network of service providers and other key sustainability vendors will play a crucial role in effectively capturing the sustainability opportunity.



Technology is the key enabler of sustainability, and buyers need to proactively explore and deploy emerging technologies across sustainability initiatives.



With the narrative around sustainability gaining momentum among customers, enterprises need to move from being socially responsible to become purpose driven to create competitive differentiation



Source: Everest Group (2021)

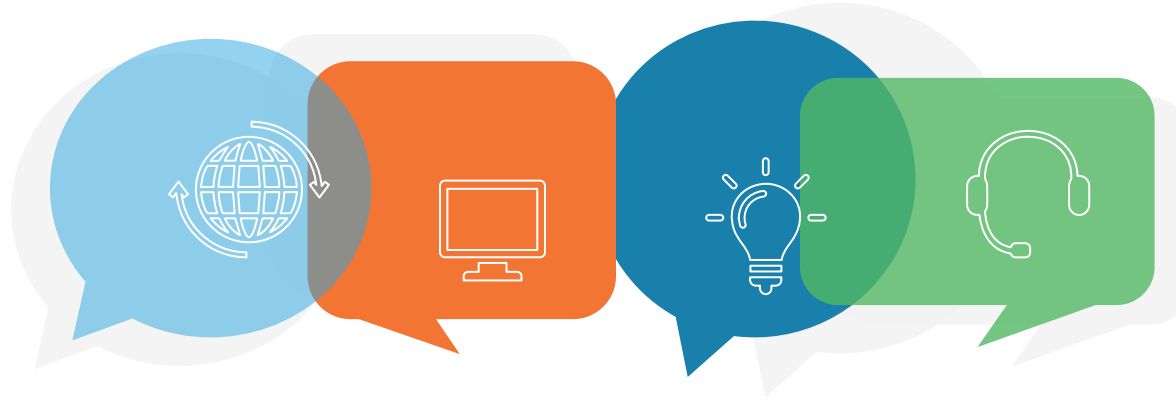
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- Type your question in the dialogue box, then select **Send** to submit the question to our session Organizers/Panelists
- Attendees will receive an email with instructions for accessing today's presentation
- To ask a specific follow-up question, please contact:
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**The Importance of Integrating Environmental, Social, and Governance (ESG) Mandates into BFSI Enterprises' Operations | Blog**

MARCH 3, 2021 | SHARE [f](#) [t](#) [in](#) [e](#)

Banking, Financial Services, and Insurance (BFSI) firms are under increasing pressure to address their environmental impact. This implies conforming to Environmental, Social, and Governance (ESG) mandates; their relationship with employees, suppliers, and customers; their risk management, and stakeholder rights. Further, voluntary guidelines such as the Task Force on Climate-related Financial Disclosures (TCFD) and recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) investment, and financing decisions. We strongly believe that today's voluntary ESG mandates will be ahead of the game.


Three aspects drive ESG integration in BFSI operations today: 1) reputation, 2) regulatory burden, and 3) investment practices. ESG enhances BFSI firms' ability to attract brands that take firm actions around ESG mandates. Advances in ESG measurement challenges related to ESG measurement.

However, these drivers fail to factor in the significant potential to generate long-term value for firms that can better navigate environmental and social disruptions, which create long-term value.

The exhibit below highlights the various factors contributing to banks' increasing emphasis on sustainability.

**Exhibit: Factors driving banks' increasing emphasis on sustainability**


**Changing demographics, regulatory push, risk led banks to place an increased focus on sustainability**



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**What's in a Name - Defining Our Journey toward Sustainability 4.0 | Blog**

SEPTEMBER 9, 2021 | SHARE [f](#) [t](#) [in](#) [e](#)


More and more companies today are undertaking sustainability-related initiatives in response to pressing global, social, and environmental issues. Leading organizations are finding ways to instill betterment into their businesses, from educating and involving employees in grassroots community efforts to embedding greater purpose into their core business models.

Companies have learned that good does not come from charities alone; it comes from fostering innovation, and providing essential goods. Adding sustainability to their business models, we've seen large organizations significantly increase their sustainability giving back, but they are achieving business value and competitiveness.

With the pandemic and social unrest creating greater pressure for firms to level and realizing the business advantages this brings. To learn how we can embed greater purpose into their core business models.

**What does this mean at Everest Group?**


Within ESG or Environmental, Social, and Governance, the "social" part is driven by people, making it practical to interweave economic and business practices. With the global services industry naturally being people-oriented or ensuring people are offered equal opportunities and chances to



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**Can "Code Red for Humanity" Be the Signal for Using Digital for Good? | Blog**


AUGUST 18, 2021 | SHARE [f](#) [t](#) [in](#) [e](#)

A landmark United Nations report issued an alarming warning on climate change, calling it a "code red for humanity." While the situation seems dire, recent positive developments in the sustainability arena keep the hopes for a greener future alive. Read on to learn what immediate steps enterprises can take now to move the needle on sustainability goals through digital transformation.

The UN Intergovernmental Panel on Climate Change (IPCC) assessment report released last week continues to make waves across countries, governments, corporations, and non-governmental organizations (NGOs). It touched a nerve even with those segments of the population who are rarely engaged with climate issues, a sign of rising sustainability consciousness in the zeitgeist.

While awareness toward building a sustainable future has been in the spotlight for over a decade now, it is important to understand the following reasons why the IPCC report has managed to create significant noise:


- 1. Timing of the report:** Coming just a couple of months before the critical UN Climate Change Conference (COP26) this fall in Glasgow, Scotland, the new report will play a key role in the negotiations. IPCC's previous assessment in 2013 and 2014 paved the way for the Paris climate agreement.
- 2. The warnings are clearer and direr:** The confidence of the assertions made by the authors is the real strength of this new publication. The clearest of these points is humanity's responsibility for climate change.
- 3. Visible effects:** As countries continue to grapple with the pandemic, the climate impact over the past few months has significantly worsened. The dangers of climate change are no longer something far away in the future, impacting people in distant lands. It's here and now and affecting every region and population segment across the world.
- 4. Rapid changes are needed now:** Even after 197 countries signed up to the Paris climate agreement in 2015, the IPCC report claims that we won't be able to keep the rise in global temperatures below 1.5 degrees Celsius or even 2 degrees Celsius this century unless immediate and sustained deep cuts in carbon take place.



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