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Harness the power of Sustainability & Climate data

Creating a Sustainable by Design system to benefit the environment, society, and shareholders

The call to action surrounding our global climate crisis is not merely to acknowledge it, but to take obtainable, meaningful steps now that can slow its effects. Regulators, consumers, and investors are all looking to businesses for radical transformation, and many organizations are willing to answer the call. But are they ready to?

There is no sustainability without data. Without good data, you don't know how sustainable your company is, what decisions to make to improve, or even how to communicate about the actions you're taking. It requires the right information—available when and where it's needed—to comply with new regulations, deliver on emissions goals, create more sustainable offerings, and build environmental credibility. One critical way companies can move toward becoming more sustainable is by investing in good data governance, data management, and data reporting.

The momentum behind better Sustainability & Climate (S&C) data management comes from several powerful directions.

- First is the complex and fast-evolving web of **global regulations**.

- Next is the **expectation** consumers and markets bring to publicly reported data and commitments—that it's accurate, realistic, and verifiable—to avoid greenwashing accusations or even litigation.

- Additionally, organizations need to **transition toward sustainability** in a smart, commercially viable way that captures upside opportunities while strategically managing the risks and costs of decarbonizing.

- Finally, there's the **exponential growth** in demand for sustainability data that organizations now face internally. From executives—whose bonuses and long-term incentive plans (LTIPs) are now linked to their company's sustainability performance—to the call to understand suppliers' carbon footprints, the need for decision-useful data continues to grow.

A strong data foundation that embeds sustainability insights throughout the enterprise is imperative for businesses to manage and transition performance across the triple bottom line—social, environmental, and financial.

To get there, you must first invest in the right kind of data management, technology, and support to then change products, processes, and behaviors.

Our perspective

Recognizing a need and resolving to address it isn't the same as having the capability to follow through. Organizations don't always have the right S&C data, in the right form, to make informed decisions. Or their data contains gaps or is inaccessible. If your data isn't robust and available, you can't tell the market a coherent story, and you can't show regulators or investors a convincing case.

And most importantly, you can't make the sizable greenhouse gas emission reductions needed to address the climate crisis and contribute to wider social and environmental progress.

Deloitte believes data and sustainability go hand in hand. Our **Sustainable by Design** approach embeds sustainability throughout an organization's digital core and at every step along the transformation journey. **Sustainable by Design** combines Deloitte's deep S&C advisory expertise with our world-class technology capabilities. Tackling existing silos makes it possible to create **integrated ecosystems** that can capture the right data, turn it into insights, and drive informed decisions that benefit the planet and the enterprise at the same time.

A system that works that way can deliver a **unified source of truth**, contribute to meaningful sustainability performance, and remove friction in organizational decision making and actions. But many companies can be overwhelmed looking for a place to start. The bigger the effort seems, the more daunting it feels—and the easier it can be to put off. That's why thinking big can include starting small. It involves moving quickly and learning as you go.

Sustainability transformation is a process, and every organization will find a strategy and a pace of its own. They all have one thing in common though—there's no time to waste.

Our capabilities

Our work begins with a thorough assessment of what data you need, what data you have, and what opportunities exist to embed data within processes and operations. We account for regulatory requirements, business needs, and your company's broader sustainability strategy and priorities in guiding those determinations. Evaluating the data platforms and technology you already have helps identify gaps. Then, we can create a roadmap to design a connected enterprise ecosystem. Deloitte helps organizations connect data governance, data management, and measurement and reporting structures to reveal the bigger picture.

Data governance

Deloitte works with businesses to improve data governance—establishing policies and procedures that determine how to gather, store, process, and access their data. The way data is gathered depends on where it comes from, and information about climate is not always part of the existing mix.

For example, companies find it increasingly necessary to collect data from suppliers as well. When companies don't have the necessary information, Deloitte works with them to determine how to get it, make credible estimations, or enrich existing data using technology.

Data management

We also help organizations enhance their approach to data management, which puts those policies and procedures into action, compiling and leveraging data for decision making. Deloitte technology specialists create customized solutions for each case. Some cases call for building a system against existing platforms. In others, our team may create more turnkey solutions for managing sustainability data.

In either case, we embed data capture directly into an organization's enterprise resource planning (ERP) systems to support better environmental, social and governance (ESG) decision making. For example, insights on material selection, shipping methods, manufacturing locations, or circular-economy methods may inform more effective options for reducing carbon impact.

Measurement and reporting

We help create consumable data for everyone, not just the IT professionals. Often organizations find it difficult to translate data into the right measures of sustainability. We work with them to effectively turn their information into the correct carbon emission and biodiversity metrics they need for reporting and compliance.

And we put systems in place to communicate data in a confident, traceable, auditable way to business stakeholders, third party auditors, and customers. Deloitte helps companies generate valuable S&C insights and create embedded analytics systems using cutting-edge SAP technology or custom-built solutions.

Why Deloitte?

Deloitte tackles problems at the intersection of climate and technology to help companies face the challenges ahead and turn them into opportunities for growth. Our global regulatory centers shape understanding of regulatory requirements, while our deep experience in enterprise sustainability complements an impressive track record of digital reinvention. Our Sustainable by Design approach embeds sustainability into every part of the digital experience. Because in the end, everything comes back to data and the need to design processes and systems to help companies use data to achieve their goals.

With 20 years of S&C experience, this is a road we've traveled before. Our deep roster of more than 1,800 global S&C specialists across 48 countries work in tandem with our cutting-edge technology to engrain sustainability throughout your organization—on every level and at every step of the transformation journey. When that happens, you benefit from better-informed operational and investment decisions that bring your S&C vision to life.

Bottom-line benefits

	Better decision making	Enabling data sharing to create a single view of S&C performance, which informs solutions that help companies make a positive environmental impact
	Regulatory compliance	Helping companies gather data and demonstrate compliance by sharing it with auditors and regulators in robust, auditable ways
	Cost savings & profits	Empowering clients to become more carbon efficient and identifying opportunities for tax credits and other government sustainability incentive programs
	Trust building	Building a loyal customer and employee base that values sustainably minded business practices, while effectively communicating sustainability progress to investors
	Environmental & financial benefits	Making strategic business decisions that benefit both the business and the planet

Sustainability & Climate data in action

An international bank wanted help with the development of third-party ESG data ingestion, financed emission tracking, and scenario analysis capabilities on internal data environment. Deloitte leveraged existing knowledge of the client's data environment to identify credible third-party data sources and optimize ingestion of ESG data third-party sources. Deloitte also helped to identify useful third-party ESG data sources that were best aligned to the client's unique portfolio, internal data system, and use case. Finally, Deloitte provided guidance on the best format in which to ingest third-party data to optimize compatibility with internal systems. This work enabled the client to embed third-party ESG data into its enterprise data management system, promoting informed decision making around climate impact. Utilizing Deloitte's scenario analysis, the client can now apply data to forecast emissions estimates. As a next step, these tools will be leveraged to set portfolio financed emission targets for the identified sectors.

A British government department committed to an ambitious sustainability strategy with the vision of reducing emissions across the education estate, driving innovation, and providing opportunities for youth to engage in the transition to net zero. To support these goals, the client needed to develop a data strategy and a robust reporting model to effectively monitor emissions and understand the data to target the most impactful interventions. Deloitte was engaged to help understand current capabilities across the education sector and determine options available. Working closely with the client, we analyzed the current technology and reporting landscape, defined future architecture, developed a technology evaluation framework, undertook user definition and requirements research, defined the program vision and scope, and developed a roadmap for future activities. The program will enable practical actions to achieve decarbonization goals, moving towards a solution that will minimize burden on users in schools and the department while also engaging students in the Sustainability & Climate change agenda.

Start the conversation

So, by now you know you need to weave Sustainability & Climate capabilities into everything you do. The endgame is clear. Deloitte can help your organization create and execute a plan to get there, and measure progress along the way. Are you ready to get started?

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