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LEADERS DIALOGUE: ASIAN SENTIMENT 2023

# The ESG Conversation

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# The Growth of a Collective Consciousness

We have seen a steady shift in people's awareness of the environmental and social impacts of their actions. And this awareness, has led to a demand for sustainable and ethical practices in brands they interact with. Consequently, organisations are feeling the pressure to incorporate ESG factors into their business models to attract and retain customers; to nurture a purpose-drive talent pool; to address investor activism; and to comply with industry and country regulations.

At the Leaders Dialogue: Asian Sentiment 2023 conversation, Ecosystem Founder and Chairman, **Amit Gupta**; **Ahmed Mazhari**, President of Microsoft Asia; **Padmashree (Paddy) Santosh**, VP & Global Head of Learning, Diversity and Organisation Effectiveness at Olam Agri; and **Luca Destefanis**, Head of Marketing APAC at Kyndryl discussed the biggest drivers, opportunities, and challenges for Asian leadership in driving a sustainable future.

The drivers of ESG may be complex and multi-dimensional – but the simple underlying truth is that today, the citizens of the world are demanding a better planet for the future.



**Ahmed Mazhari**

President  
Microsoft Asia



# The Importance of Setting ESG Goals

There are several benefits to having an ESG focus today – and organisations are incorporating ESG goals within their larger business priorities. Benefits include:

## TOP LINE AND PORTFOLIO GROWTH

Growth rates of sustainability markets and products outpace growth of conventional ones

## COST REDUCTION

Improves operational efficiency; purpose-driven organisations have higher talent attraction and retention, reducing talent acquisition costs

## DE-RISKING

Helps reduce transition risks of changes in rules and regulation (policy risk) and changes in stakeholder sentiments (reputational risks)

## EMPLOYEE PRODUCTIVITY

Increases employee engagement in those who identify with the purpose-driven approach

The first step of having a long-term ESG strategy is defining the goals – and ensuring that these goals align with the organisation's overall business direction.



**Amit Gupta**

Founder & Chairman  
Ecosystem



# Having a Multi-Dimensional ESG Strategy

It is imperative to start with defining the right ESG goals – but once the goals have been set, a successful ESG strategy needs a consideration of multiple factors.

## ◁ STRATEGIC ALIGNMENT

Translating the ESG goals into business priorities; identifying funding sources; and determining KPIs to measure success

## ◁ CULTURE & LEADERSHIP

Driven by the Board and senior management and percolated across all divisions and employees

## ◁ PEOPLE

Having the right team; increasing employee awareness; and employing purpose-driven employees

Organisations must personalise the ESG agenda so that it starts to feel more meaningful at an individual level.



**Padmashree (Paddy) Santosh**

VP & Global Head of Learning,  
Diversity & Organisation  
Effectiveness  
Olam Agri



# A Technology-Enabled ESG Strategy

It is imperative to tackle the lack of standards and monitoring as today most of data are available in silos, or not even collected.

- ◁ **A STRONG CIO + CSO ALLIANCE** to enable company ambitions with technology solutions and process improvements in their journey toward ESG goals
- ◁ **INTEGRATED ESG GOALS WITH THE OVERALL DATA STRATEGY** to identify and collect the necessary data across operations, and run the relevant analytics to identify the right insights
- ◁ **INHERENTLY TRANSPARENT SUPPLY CHAINS** for full visibility of carbon emissions, tracking and monitoring progresses, leveraging AI/ML models and modernising operations
- ◁ **MEASURABLE COMMITMENTS** that aim to regularly and transparently communicate progress

Technology will play a key role in enabling and accelerating ESG strategies, increasing the level of trust and transparency amongst all the stakeholders.



**Luca Destefanis**

Head of Marketing, APAC  
Kyndryl



# Data: Key Enabler of ESG Practices

In today's data-driven world, it is very likely that organisations have access to the data needed for their ESG efforts.

**But ESG may not be integrated within their overall data strategy – consequently, 55% of organisations find that data availability is a barrier to ESG efforts.**

Organisations must:

- ◀ Define data requirements
- ◀ Identify the reporting standards to use
- ◀ Isolate where and how the data can be accessed
- ◀ Incorporate these new data sets within data management frameworks
- ◀ Deploy tools for data visualisation
- ◀ Go beyond reporting to gaining organisational insights

## LEADING BARRIERS TO ACHIEVING ESG GOALS



**60%**

Operational Costs



**55%**

Data Availability



**50%**

Lack of Dedicated Resources



# Tech Companies Expanding ESG Impact

Technology companies have emerged as innovative and forward-thinking, and true enablers of the circular economy.

Here are some examples:

## ◁ LEADING BY EXAMPLE

Tech companies are setting ESG targets aligned with the UN Sustainable Development Goals (SDGs), to show commitment to solving global issues.

## ◁ OFFERINGS TO BUILD SUSTAINABLE INFRASTRUCTURE

Cloud for Sustainability initiatives are helping organisations record, report, and reduce environmental impact and build sustainable IT infrastructure

## ◁ SUPPORTING ESG DATA REQUIREMENTS

This can range from data centre and data platform management, data & AI consulting, and industry specific AI/ ML services

## ◁ EMPOWERING THE ECOSYSTEM

Led by tech leaders, over 20 leading organisations formed the Carbon Call to address reliability and interoperability in carbon accounting for the planet, in 2022

## About Ecosystem



e c o s y s t m

Ecosystem is a Digital Research and Advisory Company with its global headquarters in Singapore. We bring together tech buyers, tech vendors and analysts onto one integrated platform to enable the best decision-making in the evolving digital economy. Ecosystem has moved away from the highly inefficient business models of traditional research firms and instead focuses on research democratisation, with an emphasis on accessibility, transparency, and autonomy.

Ecosystem's research originates from its proprietary "Peer-2-Peer" platform which allows Tech Buyers to benchmark their organisation in "real-time" against their industry or market peers. Ecosystem's broad portfolio of advisory services is provided by a team of Analysts from a variety of backgrounds that include career analysts, CIOs and business leaders, and domain experts with decades of experience in their field.

## About Kyndryl



Kyndryl (NYSE: KD) Kyndryl (NYSE: KD) is the world's leading Managed Service provider with Data & AI expertise across on-premises, cloud, hybrid IT, and multi-cloud environments. We help customers optimize value in a hybrid cloud world. Kyndryl's Data & AI services are designed around our customers and delivered on the platform that best meets their needs. We design, build, manage and modernize the complex, mission-critical information systems that the world depends on every day. Kyndryl's nearly 90,000 employees serve over 4,000 customers in more than 100 countries around the world, including 75 percent of the Fortune 100 companies. For more information, visit [www.kyndryl.com](http://www.kyndryl.com)