

The Deloitte logo is positioned in the top left corner of the slide. It consists of the word "Deloitte" in a white, sans-serif font, followed by a small green dot. The background of the entire slide is a dense, circular pattern of green fern fronds, creating a natural and textured backdrop.

Deloitte.

A partner for the sustainability challenge of our time
How GBS can support your business

March 2023 | Adapt. Thrive. Lead

The Deloitte logo is located in the bottom right corner. It features the text "MAKING AN IMPACT THAT MATTERS" in a bold, sans-serif font, with "since 1845" written in a smaller, cursive font below it. The entire logo is enclosed within a thin white circular border.

MAKING AN
IMPACT THAT
MATTERS
since 1845

Contents

01

Introduction

02

Challenge to Opportunity

03

GBS Sustainability Engine

04

How you can get started

05

Key Contacts

Introduction



Our clients are feeling the pressure from their stakeholders to make tangible sustainability commitments. Consumers are actively turning to brands that embody shared environmental values, investors have recognised the value of socially responsible products and practices, and regulators are cracking down on corporates by mandating disclosure frameworks and reporting requirements.



In response many of our clients have publicly pledged bold sustainability ambitions, setting clear targets to show their commitment. However, making the pledge is the simple part. Understanding what to measure, how to measure and what reporting and technological functionality is required to monitor and meet these targets is less obvious.



We strongly believe that GBS has an important role to play here. Its centralised structure, coupled with its vast reach and access to data, enables it to spearhead the organization's sustainability agenda, championing initiatives that ensure the present and future needs of both the organization and the broader global community are met.



As an organization's central hub, GBS has a unique panoramic view of the enterprise. With this end-to-end perspective across the business, the centralised cross-functional processes and systems under its remit, and its ownership of organisational data, GBS is perfectly placed to steer the firm toward sounder, more sustainable operations.

This point of view explores the ways in which GBS can act as the Sustainability focal point, securing a resilient and profitable future for the organisations and communities it serves.

Challenge to Opportunity

There is growing pressure from stakeholders to answer the threat of climate change and improve the sustainability of their operations



Consumers: Sustainability-marketed products, compared with conventionally marketed products, saw a **30% price premium**.¹



Regulators: Over **11000 companies** in Europe are required to disclose proportions of turnover and expenses relating to environmentally sustainable activities.²



Employees: **78%** of people would prefer to work for a purpose-driven company; **65% of leaders** do not see the possible financial benefits of sustainability actions.³



Investors: ESG-mandated assets are on track to represent **half of all professionally managed assets globally by 2024**.⁴

STAKEHOLDER PRESSURE



High Volume and Inaccurate data: **57%** employees believe that access to data that is accurate and complete is their greatest challenge when it came to disclosing ESG information about their firms.⁵



Lack of awareness: **37%** of CFOs are not aware of Sustainable Finance and do not have the expertise or resource to establish a Sustainability reporting capability.⁶



Inconsistent Reporting: **85%** of Finance functions produce management information (MI) using a mix of automated and manual methods with spreadsheets continuing to be the main tool of choice (73%).⁷



Outdated Technology: **92%** of senior finance professionals believe they need to invest more in technology to address demand for “consistent and reliable measurement, reporting and disclosures.”⁸

ORGANISATIONAL CHALLENGES



Enhanced reputation: **72%** of business leaders believe that ESG reputation will be a bigger driver of profits than business performance.⁹



Competitive differentiator: **64%** of companies with product sustainability programs achieved lower logistics and supply chain costs.¹⁰



Talent attraction: **20%** of job-seekers would turn-down a job offer if they weren't happy with the firm's ESG credentials.¹¹



Embedded resilience: Organisations valuing employees, helping communities, and being transparent with stakeholders on ESG issues are more likely to score highly on key resilience indicators.¹²

OPPORTUNITIES

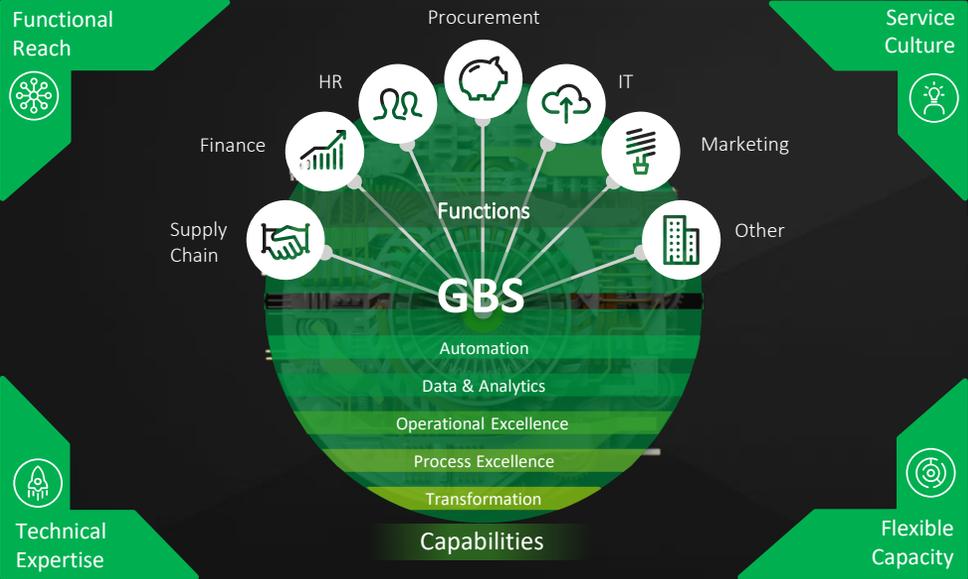
GBS is uniquely positioned to address these challenges

The evolved GBS organisation has the functional reach, service management culture, expert technical capability and flexible capacity to tackle some of the enterprise's most significant sustainability challenges

With its end-to-end view of the business, centralised cross-functional processes and systems, and its ownership of organisational data, GBS could provide analytical forecasts and predictive insights that steer the wider firm towards sounder decisions predicated on sustainable objectives and metrics.

GBS SUSTAINABILITY ENGINE

- Functionally agnostic and cross-functional coverage
- Global and transferable capabilities



- Well established reporting and analytics capability with legacy in finance operations

- Designed for excellence
- Programme management, process excellence and customer experience offered as a GBS service, Sustainability could be next.

- Organised to mobilise teams with the necessary agility and flexibility
- Resource centrally coordinated

As more services are brought into a centre office operating model, GBS is uniquely placed to act as a strategic asset and sustainability reporting layer to the wider business ecosystem.

GBS SUSTAINABILITY SERVICES



Compliance & Data Reporting

- Growing demand for assurance of sustainability information
- Newer ESG reporting metrics being introduced



Analytics & Decision Support

- Integrating ESG data into decision making enables organisations to manage climate change risks
- Provides an opportunity to innovate products and services



Transformation Incubator

- Embedding sustainability leading practice into end-to-end businesses processes through a central transformation capability

Delivering value across the ESG spectrum

Sustainability is a core lever in a wider environmental, social and corporate strategy that GBS can support as a strategic partner with the ability to distil data and information into actionable recommendations for your decision makers



	FINANCE	HR	PROCUREMENT	SUPPLY CHAIN	COMMERCIAL/ MARKETING
 Compliance & Data Reporting	<ul style="list-style-type: none"> Mandated TCFD financial reporting for listed companies Green financing reporting for institutional investors ESG ratings and optimisation AML reporting 	<ul style="list-style-type: none"> Diversity & Inclusion reporting GDPR compliance Injuries, Diseases and Dangerous Occurrences Reporting Employee performance reporting Employee SAT reporting and wellbeing scorecards 	<ul style="list-style-type: none"> Travel & Expense reporting Supplier Quality ratings Contract Compliance reporting Green Energy reporting 	<ul style="list-style-type: none"> Partner Screening, Risk & Performance GDPR compliance Supplier SLA controls Regulatory compliance management 	<ul style="list-style-type: none"> Configure-Price-Quote reporting Consumer Protection and sector/product law compliance reporting
 Analytics & Decision Support	<ul style="list-style-type: none"> Integrated financial and ESG planning Revenue forecasting Working capital analysis Green investment P&L implications 	<ul style="list-style-type: none"> Predicted turnover Candidate filtering Data-driven anti-bias recruiting Absenteeism monitoring 	<ul style="list-style-type: none"> Payments, invoices & payment terms analysis Return cost analysis Supplier defect rates Non-contracted or non-preferred spend 	<ul style="list-style-type: none"> Sales and Demand Forecasting Order Fulfilment & Scheduling Inventory Planning & Management Supplier analytics (spend, pricing, geo concentration) Supplier risk monitoring 	<ul style="list-style-type: none"> Price sensitivity analysis Competitor analysis Incentive management Territory management Marketing Spend Optimization Product / Brand performance
 Transformation Incubator	<ul style="list-style-type: none"> Sustainability discounting E-invoicing Carbon impact dashboarding 	<ul style="list-style-type: none"> Sustainability training, reskilling and upskilling Diversity & Inclusion recruitment Remote / Hybrid Working solutions 	<ul style="list-style-type: none"> Packaging optimisation Carbon offsetting Onsite renewable energy sources 	<ul style="list-style-type: none"> Network Optimization Waste Management Supply Chain Responsibility ESG Supplier Selection 	<ul style="list-style-type: none"> Climate-positive charitable partnerships
 Expected Outcomes	<ul style="list-style-type: none"> Integrating ESG KPIs into financial reporting supports in achieving a 'green balance sheet' 	<ul style="list-style-type: none"> Workforce interest with ESG as a retention tool ESG skills and capabilities embedded Team structures & objectives aligned to ESG agenda 	<ul style="list-style-type: none"> Carbon footprint reduction Empowering employees to make greener travel choices Supporting a circular economy 	<ul style="list-style-type: none"> Scope 3 emissions transparency and reduction Ethical and purpose-driven supplier management Supplier resilience 	<ul style="list-style-type: none"> Consumer loyalty Unlock new market segments ESG Branding

How you can get started

Key triggers for our GBS Sustainability labs and what they entail

KEY TRIGGERS



Functions are working in silos with no central team to capture, analyse and report on Sustainability targets



Sustainability capability is dispersed across the organisation with varying maturity and understanding of overall strategy and plan



Limited confidence in data accuracy and timeliness of required information for decision making



Sustainability strategy is reactive and unstructured without a clearly linked GBS value proposition and limited touchpoints across integral strategic leaders

OUR LABS

- Lab 1 Explore**
 - Sustainability Visioning & Market Assessment
- Lab 2 Evaluate**
 - GBS Function & Data Mapping
 - Op Model & Talent Requirements
- Lab 3 Mobilise**
 - GBS Sustainability Strategic Roadmap

KEY STAKEHOLDERS

-  GBS Leadership
-  Functional Business Partners
-  Sustainability Leadership

LAB OUTPUTS

-  Data & Reporting
-  Skills & Training
-  Process Excellence
-  Compliance

Key Contacts & Contributors

KEY CONTACTS



Candice Sieg

Partner,
UK GBS & BPO Advisory Lead
cseig@deloitte.co.uk



Punit Bhatia

Partner,
GBS & BPO Advisory
punbhatia@deloitte.co.uk



Amiya Kagalwala

Director,
GBS Sustainability Sponsor
amkagalwala@deloitte.co.uk



Anita Rawtani

Senior Manager,
GBS Sustainability Lead
arawtani@deloitte.co.uk

CONTRIBUTORS



Alexander Davis

Consultant,
GBS Sustainability
alexandavis@deloitte.co.uk



Priyank Daxini

Analyst,
GBS Sustainability
priyankdaxini@deloitte.co.uk



Laura Baird

Senior Consultant,
GBS Sustainability
lbaird@deloitte.co.uk

Annexure

REFERENCES

1. [CSB Sustainable Market Share Index: Research Question 1 \(nyu.edu\)](#)
2. [Corporate sustainability reporting \(europa.eu\)](#)
3. [The purpose premium: Why a purpose-driven strategy is good for business \(Deloitte\)](#)
4. [ESG investing and sustainability | Deloitte Insights](#)
5. [US Public Companies Prepare for Increasing Demand for High Quality ESG Disclosures — Press Release | Deloitte US](#)
6. [Time to take the lead: Focusing CFO efforts on the journey to a sustainable future \(Deloitte\)](#)
7. [Global planning, budgeting and forecasting survey: Insights Report Edition 2 \(Deloitte\)](#)
8. [Are Companies Ready for Enhanced Climate Disclosures? – WSJ](#)
9. [ESG reputation will significantly determine future revenue - Banking Exchange](#)
10. [Driving business value with purpose strategy | Deloitte US](#)
11. [Third of Gen Z workers reject job offers based on company's green record \(telegraph.co.uk\)](#)
12. [Green CFOs: Why CFOs are key to driving the ESG agenda | Deloitte UK](#)



This publication has been written in general terms and we recommend that you obtain professional advice before acting or refraining from action on any of the contents of this publication. Deloitte LLP accepts no liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom.

Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. [Please click here to learn more about our global network of member firms.](#)

© 2023 Deloitte LLP. All rights reserved.

Designed by CoRe Creative Services. RITM1297042