

SAS for ESG and Climate Foundation & Data & Reporting

Data & Analytics driven approach to embed ESG & Climate into business and generate value



*“Better-managed ESG activities through **better use of data and KPIs** is expected to be **critical for companies’ future**”*

EY



*“Net Zero transition will be **the most expensive project** we have ever undertaken”*

Non-financial corporates study



*“Climate change presents **significant risks** for all entities, their activities and economic sectors.*

International Financial Reporting Standards

Increasing consumer, investor and regulatory awareness are pushing ESG & Climate efforts to the forefront of business

Over the recent years companies around the world have experienced tremendous pressure from governments, regulators, investors and customers to significantly step up their overall **Sustainability & ESG activities** with the increased attention to **Climate risk management** in particular. To support the transition to sustainable **decarbonized** economy, authorities and investors are now turning their attention from **financial institutions** also to **non-financial corporates** where they are introducing variety of ESG & Climate requirements and **mandatory disclosures** (TCFD, CSRD, IFRS..). But sustainable business operations and **reducing carbon emissions** are not only key to saving our planet but are also becoming important factor driving **performance**.

“Research shows that companies that lead in sustainability are more innovative, perform better financially and have better credit ratings”

ING

Business Impact

With SAS you can use advanced analytics to efficiently collect and process the data you need, and derive & monitor your key ESG metrics such as carbon emissions or key risks such as transition risk, set and monitor targets for different lines of business, observe your path to the net zero, improve sustainability KPIs, mitigate risks, manage vendor relations, and promote healthy employee diversification.

SAS can help you by:

- ✓ **Streamlining & automation of data collection & processing flows** from your whole enterprise across the entire ESG & Climate process all the way to disclosures and decisions to **reduce costs and improve efficiency by a step change** .
- ✓ **Improving effectiveness of your risk & carbon management strategies** by consolidating information from relevant systems, teams and providing a 360-degree enterprise view of risk & carbon exposures throughout the management life cycle – from identification to assessment, monitoring, response and resolution enabling you to **proactively identify and mitigate issues and ensure compliance**
- ✓ **Better data & smarter forward looking insights** from leveraging advanced analytics for e.g. automated processing of customer / supplier’s ESG disclosures to gain ESG insights or simulate impact of Climate Scenario on company’s KPIS.
- ✓ **Speeding up the time to insights & decisions and drive an order of magnitude improvement of analysts’ efficiency** with intuitive self service reporting allowing business users to quickly access in the **central repository** all needed data points and calculation (interim) results creating **robust auditable environment** whilst allowing **flexibility** to perform necessary adjustments to the content
- ✓ **Strengthening governance & controls** with dedicated capabilities applied over the key management & disclosures processes



“While there are risks of acting on partial Climate Risk data, but the risks of inaction are greater”

ECB



“Climate Change is the greatest Big Data project for our bank”

GSIB Bank



“Climate change is an opportunity for innovation fuelled by data and analytics”

SAS

SAS Facts



2050 NET ZERO COMMITMENT

Aligned climate mitigation targets to reach net-zero emissions by 2050 and joined the Business Ambition for 1.5°C.



SAS is ranked as a leader in advanced analytics and risk management and customer intelligence



SAS has customers in 147 countries



SAS software is installed at more than 83,000 customer sites

Challenges

Companies around the world have to collect, analyze, process and disclose lot of new ESG & Climate data with particular attention paid to Carbon & Net Zero factors and application of the Double Materiality and Forward- looking perspectives on the reported information. Last but not least all the activities will have to be performed in a more standardized and auditable fashion

- **Lack of ESG & Climate Data** is not an acceptable excuse anymore, companies are pushed forward by their investors, regulators and customers to take action, and report on it and their plans going forward. Companies are looking for smart new ways **how to collect and / or derive this new data in the most efficient way**. This can include automated processing of unstructured data from reports or getting data from 3rd parties via automated ESG data questionnaires or via rest API.
- **Increasing ESG & Climate Risks** are already costing companies and investors money. In order to properly identify and assess these risks, understand their interdependency and potential future impact companies will **have to ramp up their existing Enterprise Risk Management** and Operational Risk Management processes.
- **Net Zero Strategies & Targets** are no longer nice-to-have but are rather becoming the new standard. Companies must step up their forward looking analysis in order to understand the future impacts of climate risks and alternative decarbonization paths on their business operations and KPIS in order to **identify their optimal strategy going forward offering the best risk & return profile**.
- **New mandatory disclosures (Pillar 3, Taxonomy, TCFD, CSRD, IFRS..)**. Only within the EU, the anticipated costs of future ESG disclosures will amount to no less than EUR 3.6 billion per year. In addition, to mitigate any greenwashing concerns, companies need to disclose and **report in transparent and auditable manner**.

Our Approach

Data and analytics are fundamental to all that we do. With a suite of proven risk & governance business solutions combined with dedicated automation and governance features and latest advanced analytics, SAS is uniquely positioned to efficiently automate and orchestrate the key activities across your ESG & Climate value chain and provide a holistic enterprise-wide view on ESG and Climate Risk and beyond.

SAS helps you to efficiently create, store, archive, track and report on all the data & KPIS needed for your sustainability & ESG management decisions and disclosures by:

SAS for ESG & Climate Foundation & Data & Reporting: Focus areas		
Data Collection & Processing	Risk Management & Governance	Analysis & Reporting & Analytics
<ul style="list-style-type: none"> • Standardize and Automate Data Collection, Processing across enterprise BUs • Design, Calculate, Aggregate KPIS (e.g. carbon footprint calculation) • Flexible & common data model • Process Real time, or text data • Collect 3rd party data (Rest API, Data collection templates..) • Data quality checks, benchmarks • Integrate with existing data 	<ul style="list-style-type: none"> • Perform Risk Impact Assessments (social, environment, third-party), Quantitative Scoring • Maintain Risk Inventory • Design, aggregate KRIs & automate their monitoring across enterprise • Orchestrate & govern the process, facilitate internal collaborations • Workflow reviews & approvals & action plans & issue tracking • Data lineage & governance 	<ul style="list-style-type: none"> • Business User Intuitive extensive reporting and dashboarding • Self-Service drag & drop data exploration and analytics • Sustainability reporting templates • Proxy & model missing data • Forecast future data • Open Box - flexible rules for quick adjustments & extensions • White box – full audit trail from data to reports
Governance, Transparency, Methodology Agnostic, Flexibility, Scalability and Extensibility		

For more information on SAS Climate & ESG offering visit: sas.com/sas/offers/21/climate-risk-hub.html

For details, reach out to your SAS representative or to find your local SAS office, please visit: sas.com/offices

