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IN SUMMARY: 1 minute read

Harnessing the power of data and technology to manage the impact on nature

We explore how business leaders can harness the power of data and technology to manage their environmental impact.

The urgency for businesses to mitigate their environmental impact has never been clearer.

A recent Green Finance Institute report highlights that the UK economy faces a potential 12% GDP reduction due to biodiversity and nature loss. This stark reality underscores the need for immediate and innovative solutions, with data technology and Generative AI playing a pivotal role.

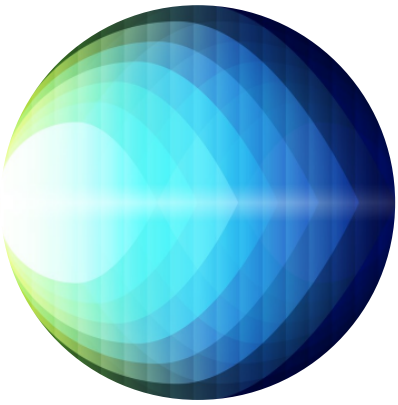
The idea of bias caused by AI algorithms can create concerns. But we can harness the power of data and AI for good. It can help us baseline, measure and monitor our company's impact on nature, implement effective nature-positive strategies and drive meaningful change for a sustainable future. However, there are critical ethical considerations that need to be taken into account surrounding data and technology and their relation to nature's complexity. How can businesses ensure responsible and impactful solutions? Most importantly, how can they turn narrative and values into action, especially with regulations like the EU AI Act coming into play?

As we head towards COP16, we speak with experts to explore how businesses can manage their impact with data and technology.

"You can hold all of these principles, but there is a difference between writing the principles and values on a wall and then actually embedding them into your processes."

Olivia Gambelin

Take a deep dive into the conversation



In collaboration with Chapter Zero

Chapter Zero
The Directors' Climate Forum

Based on a webinar discussion on 14 October 2024

Host:
Loree Gourley,
Sustainable Finance Partner, Deloitte

Speaker:
Jason Bissell,
Founder/SVP Databricks Asia Pacific, Digital Isle of Man

Speaker:
Olivia Gambelin,
AI Ethicist and author of Responsible AI

"We are literally left with no excuses now."

Jason Bissell

Further reading

Generative AI: Boon or bane for the planet?

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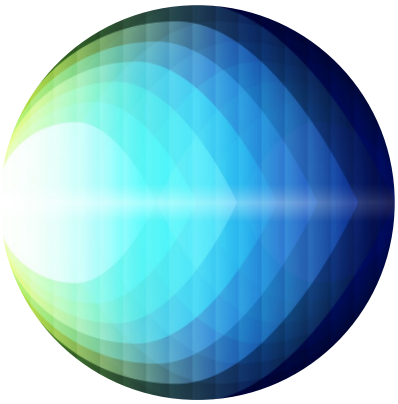
DEEP DIVE: 5 minute read

In conversation with the Deloitte Academy panel



Our speakers dive into how businesses can leverage data and Generative AI to address environmental challenges and drive meaningful action, even in the face of regulation, risk mitigation, bias and nature's complexity.

How can businesses mitigate risk around bias in complex data sets?

Olivia: An important part of mitigating bias is getting to the root of it. Typically, it is not a technical problem. Bias is reflective of historical data, which means there is a bias happening either in the people or in the process that created that data. If your people are not aware of the need for biodiversity or if they have set up data collection processes that cannot cover the expanse of biodiversity, you will never get the necessary biodiversity reflected in the data to start with.

Generative AI can be used for good, particularly when we are looking at nature and significantly large data points. But how do we embrace it to drive positive outcomes at an accelerated pace?

Jason: Everyone has become familiar with GPT or ChatGPT. They know how it works and what role it plays. It is a creative expansion of ideation. We are afforded this wonderful opportunity to be able to connect three or four different pieces so quickly. So, we literally are left with no excuses now, just implementation. Because we can assimilate lots of different data into a single coherent set of tasks using generative technologies, we at the board level have no excuses because the data is known.

How can we shift narrative into action?

Olivia: What I notice quite often is that people adopt a protective mindset. They are thinking about mitigating and managing risks, which quickly gets exhausting. I advise opening that conversation beyond just the risk and into what I call an alignment mindset. Instead of protecting something, how can you align with it? This kickstarts some of that creativity instead of keeping us frozen, waiting for someone else to get it wrong first. And if there is judgement, scepticism or cynicism, start there. Discuss everything that can go wrong, summarise it, look at it as a whole and then flip it. Push your imagination in the direction of what can go right and where you stand. Where are you on the current spectrum? Are you closer to things going wrong or right? And what decisions lead you to going right? This turns high-level conceptual theories into practical steps.

What are your views on fairness, ethics and AI in relation to the EU AI Act?

Jason: Putting fairness and business in the same sentence and using AI for productivity gains is an interesting subject. If I'm a business, would I say that using AI to drive profit is fair? The EU AI Act has reference to fairness in it about technology, but the US and the rest of the world have different jurisdictional policies.

Olivia: Fairness is a narrow factor within the bigger picture, but it's one we're really focused on. Oftentimes, companies say they need to be fair. But what does that mean? Typically, in AI, it means having diverse data sets and fair outcomes. But what does fair outcomes mean? Is it equal opportunity, equal outcome, equal quality of service? These are definitions that companies need to come down to.

Does regulatory policy help or hinder innovation?

Olivia: While it is incredibly important, I think we get distracted by regulation. Really, it is your baseline. It tells you the best practices to start, but that is when the real work begins because it takes a lot of work to get compliant in the first place. Only once we know the lines we need to reach can we start pushing forward in the direction of innovation again.

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>
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■ **How do board members and non-executive directors get comfortable with Generative AI coming into their businesses and being robustly and confidently applied?**

Jason: The data is going to be a competitive advantage for anybody. Something to consider is how you view data, not necessarily how you see the processing of it, but how you treat your raw material. That is your advantage in the future.

■ **The Green Finance Institute report found that if we do not deliver positive outcomes by 2030, the impact could be greater than or equal to 12% of our GDP. Is the data good enough to start acting and collaborating on?**

Olivia: I think when it comes to the data being good enough, we have to get over the feeling of needing more to get started. Otherwise, our mindset is that data robustness equals quantity, not quality, and we start believing that we need every single data point we can get. Realising that robustness equals quality helps you pinpoint what makes for good data points and information, and what you need to get closer to your goals. Focusing on good, clean data collection processes will also reduce the time and effort that goes into cleaning the data on the other end.

■ **Do investors want organisations to tell them about nature loss? How does or could this impact businesses long term?**

Jason: Institutional investors are driven by returns on investment. When you have consumers saying they would reject a company if it was harming the environment, economy or people, that narrative and sentiment matter to investors. There is an upside in new technologies under the banner of clean tech, so investors are very serious about investing in it now. I think you could say that AI has been over-invested in, but climate and clean tech technologies are pressured by regulation and consumers.

Olivia: Not only are we having those market pressures, but we quite literally are going to run out of resources. For example, without investment in better, more sustainable energy sources, we would not have this technology at all in the years to come. So, we have functions from all different directions that are driving investors to actually take this seriously and put effort and resources behind it.

■ **Do you have any reflections in terms of quantifying either the social dependencies we have as a community or what board members might want to consider as it relates to general migration, the Global North and the Global South? Or on nature as it impacts the social component?**

Jason: Having a community and collaboration around a set of values is really important. Some may not agree that sustainability is a biosphere value, and that is okay. But as NEDs, you have to identify what your values are and how they align with your industry and governments. You may be sitting on boards that are cross-jurisdictional so that may be a challenge, but building social inclusion into your board really simply can be down to that value framework. What are your core values as a business, human and industry? What are your core values at a government level within your jurisdictions? And then, what are the values of the biosphere?

Olivia: Some of you are probably more adventurous, out hiking or out for some type of engagement in the environment around you. When you are in nature itself, there is an immediate, undeniable sense that it helps your individual wellbeing. Now, multiply that on a larger scale and we are actually valuing the factor of nature and the environment, and its contribution to our collective wellbeing. We have to focus on nature and the environment to support the wellbeing of the social factor.

■ **How do you ensure your board is harnessing the positive attributes of data technology and Generative AI to drive positive outcomes for its business model?**

Jason: I have seen companies act as though nature is on the board, and I find it really interesting. So, the question is, imagine that the AI biosphere is an entity sitting in the ninth or tenth board seat. Can it sit there and represent nature?

Olivia: I have been interviewing value-based leadership, and they all have the same question they ask their teams: How does the way we are going to use this technology align with our values? What does this look like in action and what does it look like when we succeed?

"When we think of bias and the AI algorithms, we often go to concerns or worries. But Generative AI can, without a doubt, be used for good as well." Loree Gourley

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