

Nick

Hello everyone, and welcome to the HCLTech Trends and Insights Podcast. Today we're in the HCLTech pavilion at the World Economic Forum in Davos. I'm delighted to be joined by Santhosh Jayaram, Global Head of sustainability at HCLTech, where today we'll be discussing the importance of rebuilding trust, to drive the sustainability agenda. Santhosh, thank you so much for joining us today. How are you doing?

Santhosh

Well, good. Look forward to this week at Davos.

Nick

Excellent. And just to start with, the urgency around sustainability and the move away from fossil fuels is increasing. That's something that was highlighted at COP 28 recently in Dubai. How much is the topic of sustainability still resonating with leaders and what can be done to ensure that we get everyone on board to act faster and ensure that we meet these critical sustainability targets?

Santhosh

Yeah, things are not been a journey in the past. But I think in the last few years, it has really moved up. And as you can see, the urgency is now felt. 2023 has been the hottest year on record. In terms of wildfires, in terms of extreme weather events, we are all busy. And that's really clearly an indication why we could get in the declaration of the COP for the first time in the last 30 years of COP, we could get the declaration to state about fossil fuel. And to say that we will have to move away from fossil fuels. That urgency is very clearly reflected even in the regulatory frameworks that are evolving, whether it is in EU regulations and nations around the world. I think it is kind of moving up the agenda. But from a leadership perspective, the regulation and the way in which the COP declarations and all those things happen, that pressure will build upon the leaders or at least the leaders of the top companies. But I think the real action, or the real intent behind that action by the leaders matters, it's not about compliance. Right? The idea is that when we are talking about reduction in your emissions and going through, you're not addressing climate change, it needs to be science based. So, when a company sets itself a target for reduction, it should be based upon the Paris accord or a 1.5 degree pathway, at least you aim to reduce your emissions, which is aligned to a 1.5 degree pathway. That urgency is something which we have to now build in. Urgency will build automatically because regulations are coming in. But that would be more about compliance-oriented urgency. But the real impact of addressing climate change that urgency need to be built through a science-based approach to leaders.

Nick

And the world right now is in a state of quite a lot of uncertainty, primarily due to the geopolitical prices that are happening in this environment where international cooperation is reduced. How important is

the theme of WEF this year in terms of rebuilding trust in the context of sustainability? And how is this trust deficit impacting the sustainability agenda?

Santhosh

So, we have to look at it that last year, for example, in WEF, we talked about the policy crisis, and the way in which each of those risks are kind of interconnected, that really creates a big risk for humanity. And so, addressing this require a, you know, cooperation around the world. But you're right, in the current context, with more nationalizations and some of the leadership change or political leadership changes, which are happening around the world, the international cooperation has reduced in that context. It is super critical for WEF and almost every leader who come here. They recollect you energy can really be channelized to overcome this you know, repress the facade as well as improving the corporation's. So, yes, it is super critical for us and we also have to realize that a recent study on the planetary boundaries have very clearly sent signals that we have transgressed six of the mind planetary boundaries already. So, I think those are kind of indications which really push the people to, because it's a global impact, its not about one company or one country, which is getting impacted. That really will push in cooperation. But I think it needs to be much more faster. And I think this WEF, particularly with the theme of rebuilding trust, would be aiming as to how fast we can rebuild that trust to bring in that international collaboration to address this policy crisis.

Nick

Yeah, and companies typically, or competitors wouldn't necessarily work together. But on this issue, you mentioned, it's a global issue, it affects everyone, how can organizations break down those barriers to actually work together and, you know, between public and private sector bodies as well, what needs to happen to kind of drive that cooperation?

Santhosh

International cooperation will come when you have clarity in terms of policies, and, you know, the outcome of the COP gives every country an outline as to how their policy going forward need to be once that policy framework comes in, then all the parties whether it is private sector, whether it is the public sector, or whether it is the social sector, we come together, because you have a clear goal to attend to, and hence you move forward together. So, I think the importance for that all the segments of the society to come together will be through the right kind of policy directions, which will happen.

Nick

Yeah. And so you just mentioned about policies? How can is it realistic for an international policy or regulation that everyone can abide by? Because you can look at things like data protection GDPR in Europe, it doesn't apply to the US, it doesn't apply to Asia? How can one uniform policy be adopted or rolled out you know, whatever body that is that everyone can get on board with and abide by?

Santhosh

When I talk about policy, I'm not talking about a universal policy. You know, when you have a goal in mind, it need not be a kind of a uniform policy, which applies across the world, you might have a common but differentiated goal. You have a common goal, but for the different players. It will be differentiated. So, the way it has to be handled, especially within negotiations on climate change, if you really look at it yet, even the statement, which is key, which has come in the fossil fuel, has very clearly said that it has to be just reasonable and equitable. So, it's not applying a uniform standard around the world. But everybody has to be this. However, nobody has to be part of this solution. So, we are not talking about a uniform policy. Yeah, it will be a policy around the world. But it might have differentiations towards a common goal that that makes sense.

Nick

And just to go back to the rebuilding trust in greenwashing, which is the practice of falsely representing an environmental responsible image is the key reason for this trust deficit that's occurring that's impacting sustainability. How can technology help bridge that gap and reduce the trust deficit?

Santhosh

It's helped drive the sustainability agenda. I'll say greenwashing over a period of time happened because, especially in the private sector world, sustainability was more around voluntary disclosures. And so, when it came in most of the time, it was voluntary disclosures and when it was voluntary disclosures, people tended to overstate some of the things without proper validations. So, I think one way the various governments are trying to do it is to bring in the regulations around and greenwashing sense to prevent greenwashing which will have some clarity as to if you're making a claim, how do you kind of validate the claim, so you cannot claim without validation? So that's one way to attend to, you know, reducing the greenwashing and improving the trust. But how do you kind of reduce Oh, are validated. And that's where the technology would come into place. You already have these available. I think it's basically the readiness of the companies and the leaders to adopt that technology. And to kind of really be transparent. You have technologies today to kind of do complete traceability. For example, if you are talking about a sustainable product, how do you game that system or a product, you already have technology based on blockchain and various other tech practices which can establish a complete traceability of the product? Or, for example, when you are designing the products? How do you kind of look into the complete lifecycle assessments and so there are technologies available, adopting those technologies is critical. And the way in which the technologies can play a big role in this is also, again, the requirement of hyper transparency because greenwashing would definitely reduce when there is a high level of transparency, and but I'm moving further beyond other than high level unprofitable to hyper trends. And today, you know, with the proper safeguards in terms of securities and all those things in technology, but then you can still have a high level of transparency for any organization in whatever they are doing. So it is, it's all there. It is just a mind shift, change, a kind of a behavioral change, handler

readiness to apply these technologies to provide that transparency to the stakeholders about the claim word, the organization.

Nick

Sure. And you just mentioned blockchain, which is obviously very important in building the transparency, the hype, transparency. Are there any other technologies that can be adopted to kind of not just rebuild trust, but really drive the sustainability agenda?

Santhosh

Almost every tech has it. I mean, we have today one of the biggest topics which is going to be discussed in this graph, is going to be AI as it can have a tremendous contribution when it comes to identifying greenwashing and even tackling greenwashing. But the key is, you know, sometimes we kind of become over dependent on tech, while tech can take you from point A to point B. But deciding on the point A, and point B is the human. So, I think the intent behind applying the technology means a lot. So, I would say that while there have been various technologies available for us to apply, but the human intent behind applying that technology is more critical to have a beneficial and meaningful outcome.

Nick

Yeah, absolutely. And I think they say that about technology in whatever context that is sustainability or innovation. It's a tool that augments the human to make better decisions, and kind of improve results and things like that. Just finally, we're obviously at dabbles. What's your experience been? So far? I know, we're only at the beginning. And how important are events like this in fostering the necessary conversations that will drive real, tangible, sustainable change?

Santhosh

So, it's a congregation of almost every stakeholder, right? You have the political leadership, you have the business leadership, everybody converging at one place to discuss what are the challenges globe faces, not just environmental challenges, but be much broader challenges. And we need to realize the power of the people who are attending here as well. And collectively, they can definitely make that change. So, I think it's very important for this WEF to recognize the power they have to make those changes and if it is not done here, where is it going to be?

Nick

Absolutely Santhosh, a nice response, and thank you very much for your time.

Santhosh

It's always welcome to speak to you, Nick.