

FEBRUARY 1, 2024 | ROUNDTABLE

# The Evolving Nature of Sustainability Through AI

On February 1, Russell Reynolds Associates and the Paul, Weiss ESG and Law Institute hosted a senior level luncheon discussion on “The Evolving Nature of Sustainability Through AI” in person at Russell Reynold’s New York office.

The program featured insights from over 30 senior AI, sustainability, risk, compliance and legal personnel who shared their expertise on how AI is shaping the next chapter of sustainability, and discussed better practices for learning and leveraging such tools.

As the landscape of technology and artificial intelligence programs continues to develop rapidly, organizations are increasingly seeking to understand how these products may impact their business operations and advance their sustainability initiatives.

Throughout the session, the group shared their thoughts on how AI tools can assist with the collection, tracking and reporting of sustainability and ESG data, particularly automating processes that have traditionally been done manually.

- ▶ As regulation and standardized reporting increases globally, attendees highlighted the ability of AI tools to help visualize and contextualize the various requirements and determine relevance for a given organization.
- ▶ Generative AI can also be used to help forecast where regulation is going, and predict outcomes based on current trends.
- ▶ Reliance on technology without proper oversight can generate risk, including hallucinations and falsified data.
- ▶ Making sure accountability structures are in place and data input is trustworthy can help build confidence in the results and create a better likelihood of success.

Attendees discussed the importance of developing AI and sustainability expertise at all levels – employees, management and board – to help build necessary oversight and accountability efforts.

- ▶ The group shared different strategies for training and retaining appropriate talent, including development of educational programs and resources for employees, creation of internal working groups and task forces, recruitment of management and board personnel with specific expertise, and designation of board oversight to committees such as audit or nom/gov.
- ▶ They emphasized the importance of keeping a people-first mindset and grounding the use of technology and AI in the people who use it.
- ▶ Making sure employees understand how AI fits within the context of the organization and ensuring that tools are leveraged properly and to their fullest extent.

Lastly, attendees discussed acceleration risk and the value of incremental change.

- ▶ While it is important to evolve with the times, rushing development and implementation of sustainability and AI strategies and tools can result in increased risk exposure.
- ▶ Consistent, progressive and intentional change can lead to longer-term value and mitigate potential gaps and weaknesses.

The [ESG and Law Institute](#) cultivates and expands discussion on the intersection of ESG and the law, and provides a centralized forum of solutions-oriented ESG [thought leadership](#) and intelligence for boards, executives, institutional investors and the legal community.

The Paul, Weiss [Sustainability & ESG Advisory Practice](#) provides clients with the critical support they need to build and strengthen their ESG programs, strategy and governance. Our multi-disciplinary team brings together preeminent attorneys with dedicated program managers, sustainability experts, data scientists and researchers to offer tailored, holistic solutions that mitigate legal risk and promote long-term success. We help our clients define their current ESG status, identify ESG gaps and opportunities and provide road maps for improvement.