

IEMA Sustainability Leaders Forum, 14 July 2020



GREEN SWANS

#BUILDBACKEXPONENTIALLYBETTER

John Elkington

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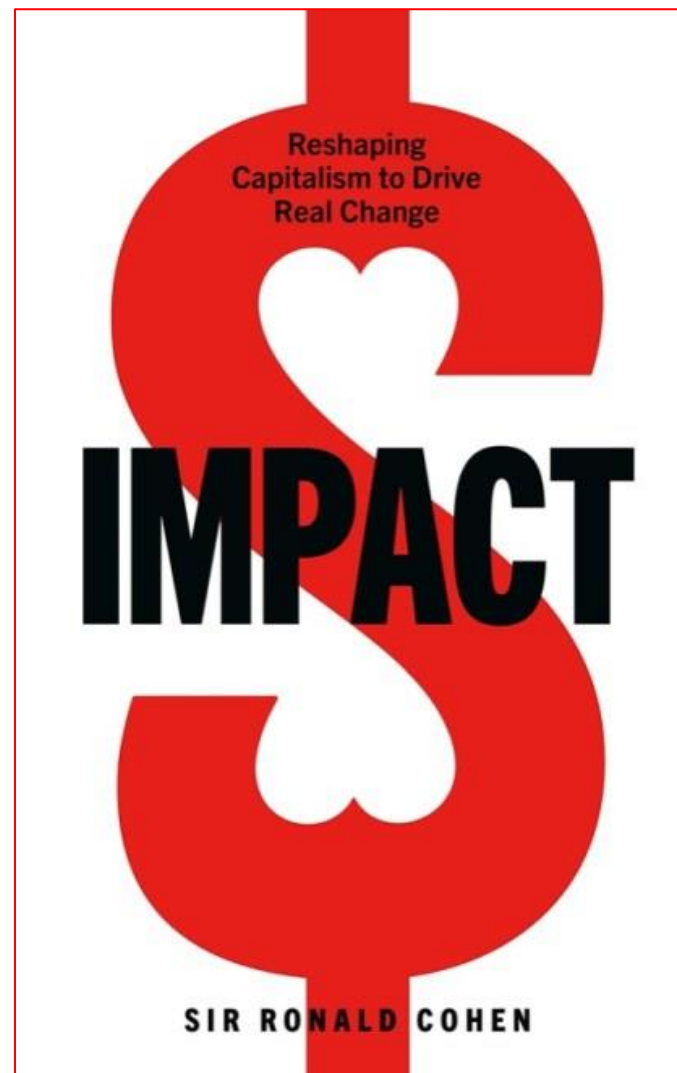
Source: NASA Earth Observatory

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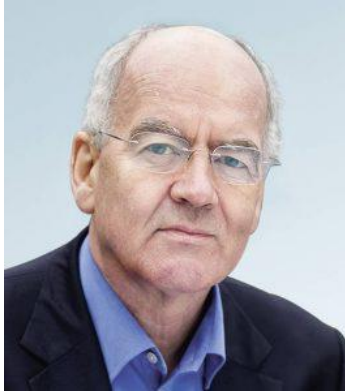
Risk, Return & **Impact**



Source: Sir Ronnie Cohen/Ebury Press



Introductions

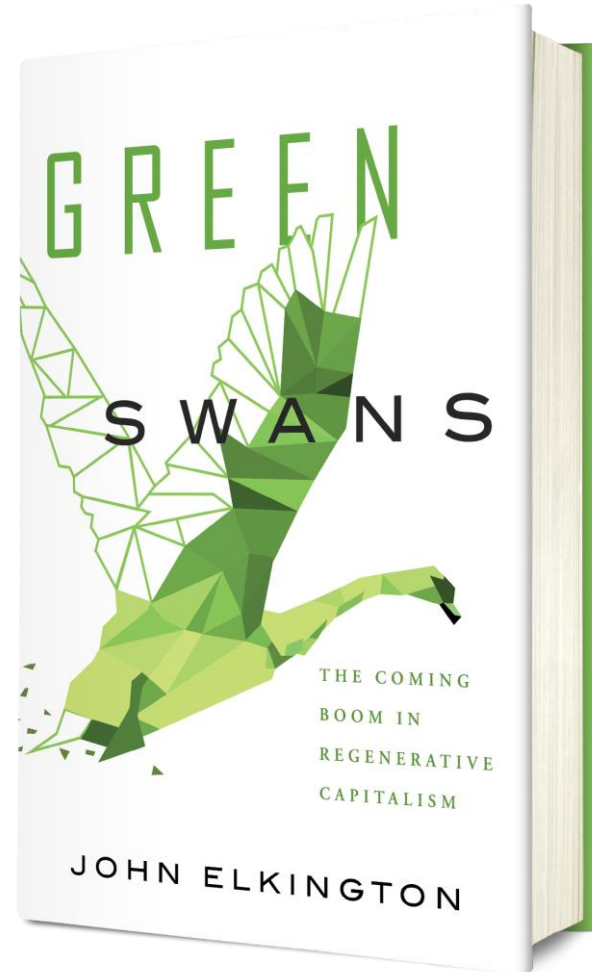
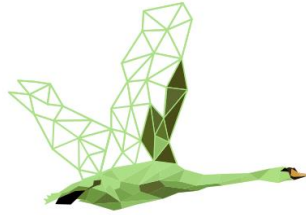


70 | 45+ | 4 | 70+ | 20

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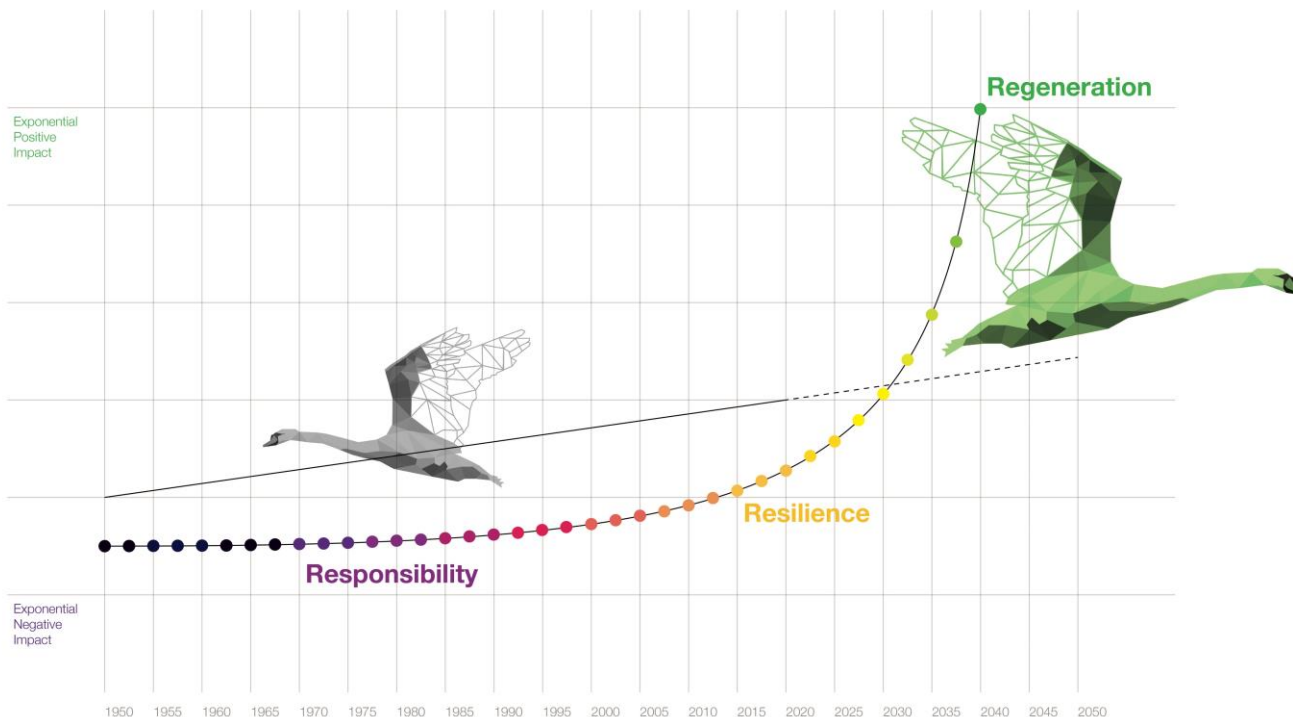
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'3Rs' Of Tomorrow's Capitalism



PR/Legal >> EM >> CEO >> CSO >> CFO/CIRO/CHRO >> Chief Economists >>

Responsibility (1960s-)

- Civil rights, 20th century-
- Earth Day 1970
- Limits to Growth 1972
- Brundtland Commission 1987
- Eco-efficiency, 1992
- ESG, early 2000s; SV 2011
- Impact investment, 2000-
- > FAANGS, tax, wealth issues

Resilience (2000-)

- Recessions, depressions, Y2K
- 9/11, 2001
- Hurricane Katrina, 2005
- Droughts, fires, migrations
- COVID-19, 2020-
- PUMA's EP&L, Circularity

Regeneration (2020-)

- Thames clean-up, 1960s-
- Urban regeneration
- Montreal Protocol, 1987/9
- Marine reserves
- Loess Plateau
- Eden Project
- Soil Carbon Cowboys
- Biomimicry



3Rs/1: **RESPONSIBILITY**



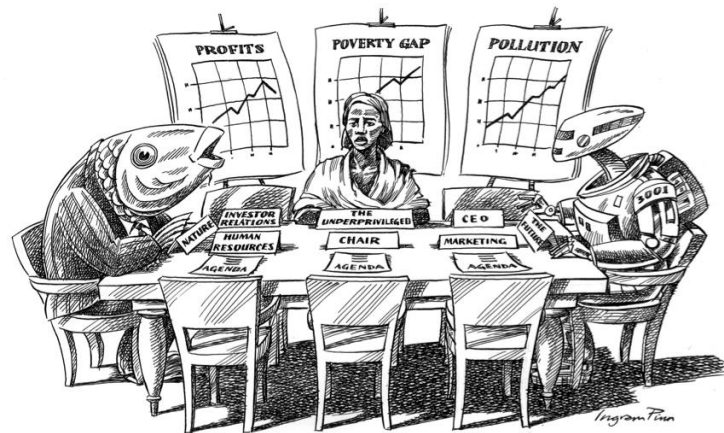
Responsibility Is The Starting Point





Recalling The Triple Bottom Line

Harvard Business Review



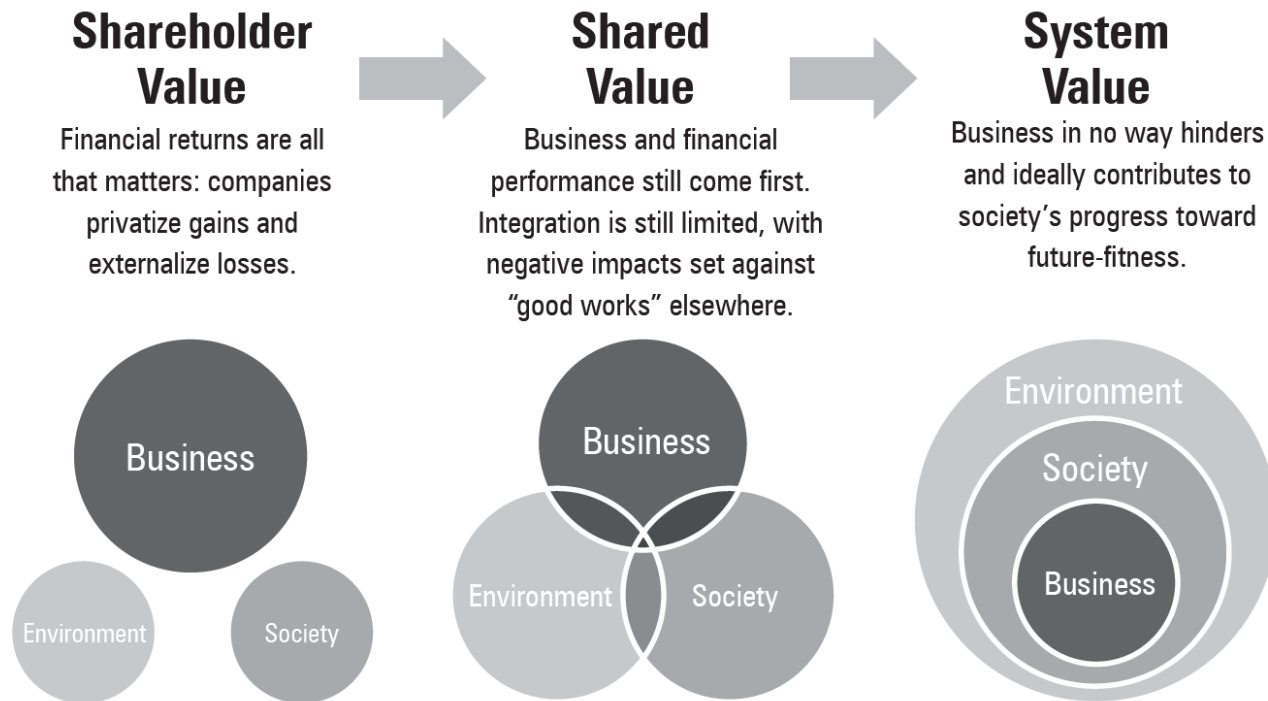
SUSTAINABILITY

25 Years Ago I Coined the Phrase “Triple Bottom Line.” Here’s Why It’s Time to Rethink It.

by John Elkington

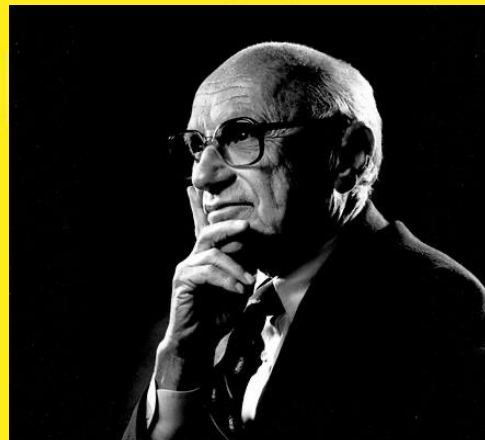
JUNE 25, 2018

Creating System Value



CAPITALISM. TIME FOR A RESET.

Business must make a profit but
should serve a purpose too.



THE NEW AGENDA



UN's Exponential Goals

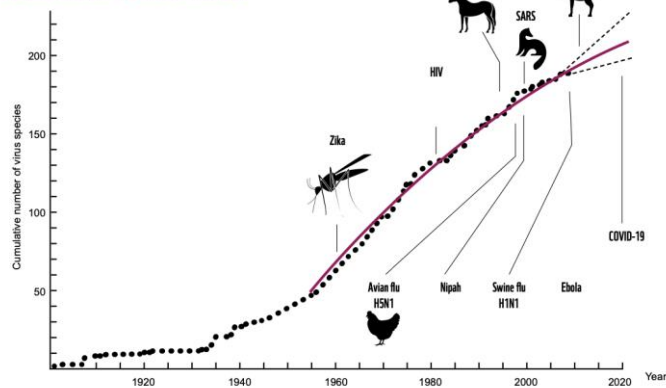
For example, by 2030:

- No Poverty (#1)
- Zero Hunger (#2)





FIGURE 2: THE CUMULATIVE DISCOVERY OF VIRUS SPECIES KNOWN TO INFECT PEOPLE



You are
here

Chaos/
Amazement

Disappointment

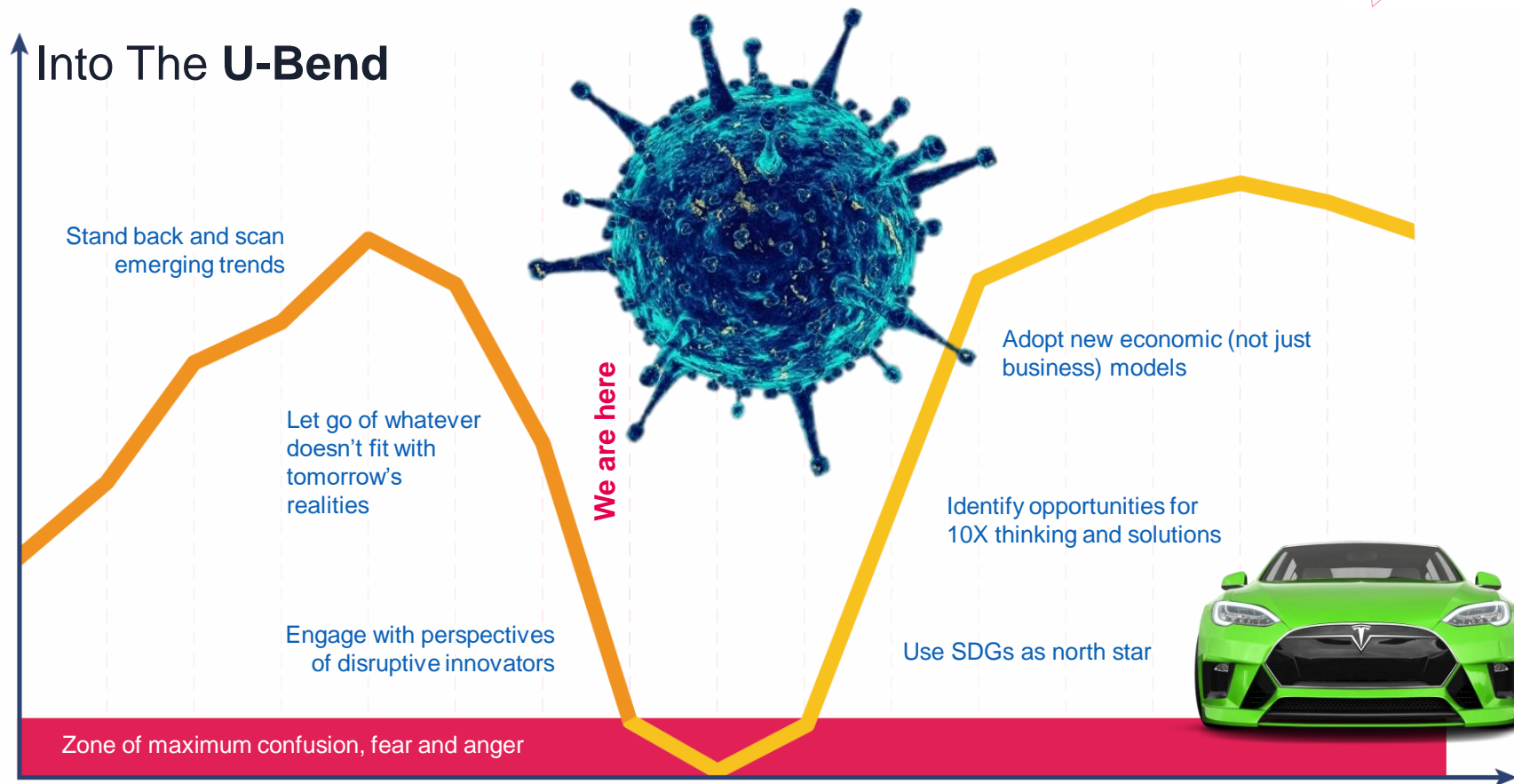


3Rs/2: **RESILIENCE**



Sponge Cities, **Sponge Economies**







Headline News: **Lame Duck Economy**

NEWS & ANALYSIS

Polish energy giants abandon coal-fired power plant project. Has the country turned a corner?

May 21, 2020 | Craig Turp-Balazs



Poland appears to have built its last coal-fired power plant.

After 116 Years, Volkswagen's Zwickau Factory Produced Its Last Fossil Fuel Vehicle Today

[Twitter](#) [LinkedIn](#) [Facebook](#)

June 26th, 2020 by Zachary Shahan



IPO Report

Beyond Meat goes public with a bang: 5 things to know about the plant-based meat maker

Published: May 28, 2019 at 7:54 a.m. ET

By Clara Linnane

Beyond Meat has a surprising number of competitors and plans to expand around the globe

243



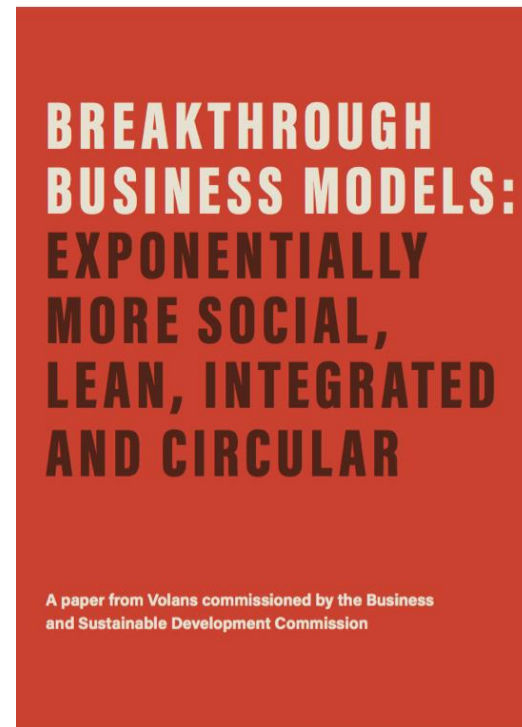
BEYOND MEAT



Tomorrow's Growth: **Trillion Dollar Markets**



- Global Goals open up 60 “hot spots”
- In just 4 areas: Cities, Energy & Materials, Food & Agriculture; Health & Wellbeing
- Worth **\$12 trillion a year by 2030** in business savings & revenue
- Economic prize **could be 2-3 times larger**





3Rs/3: **REGENERATION**



Taleb: The Black Swan



1. Outlier
2. Extreme impact
3. Rationalized in hindsight





The Green Swan



- ... a **profound market shift**, generally catalysed by some combination of Black or Gray Swan challenges and changing paradigms, values, mindsets, politics, policies, technologies, business models, and other key factors.
- ... delivers **exponential progress** in the form of economic, social, and environmental wealth creation.

Black Swans Going Green: **Neste**



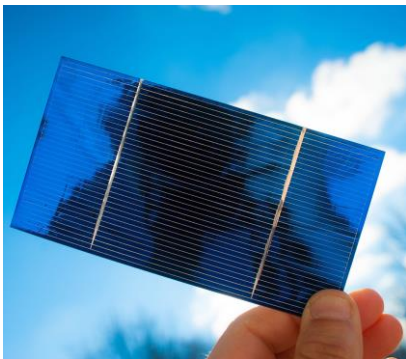
“#3 Most Sustainable Company on Planet”

Corporate Knights, Global 100

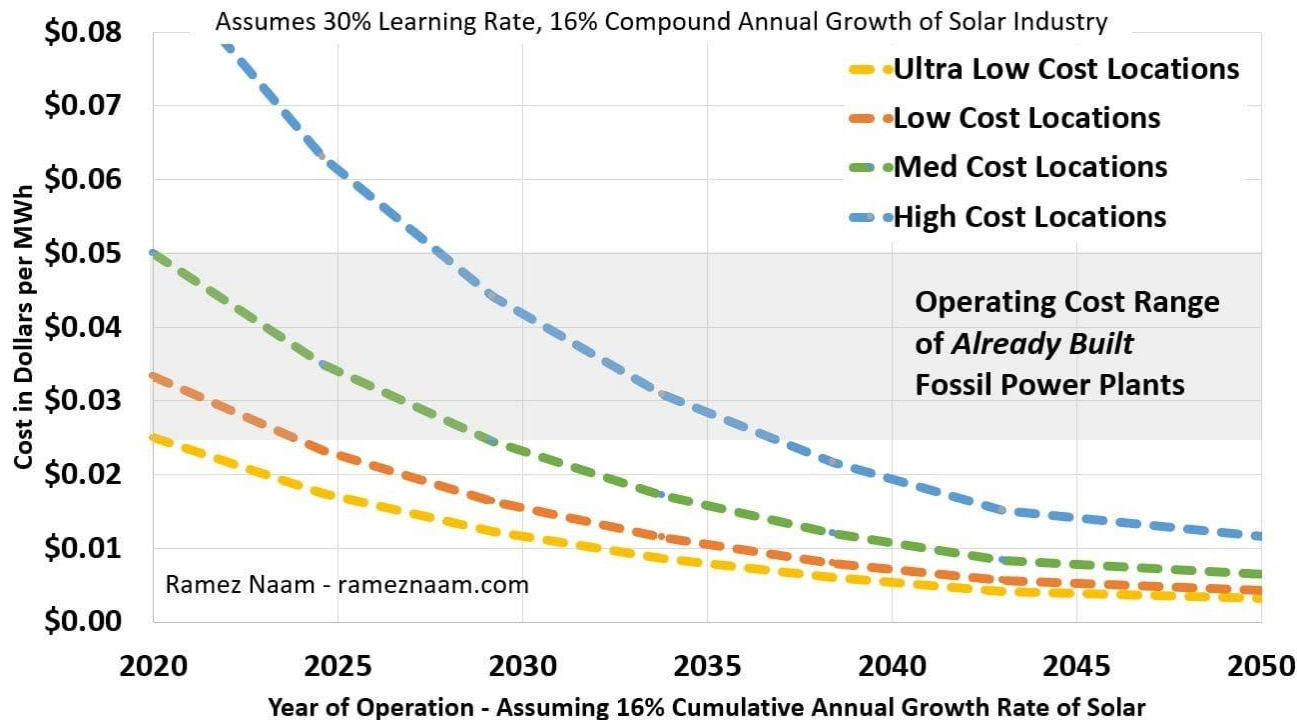




Green Swans: Solar Costs Fall Exponentially



Future Solar Costs by Year



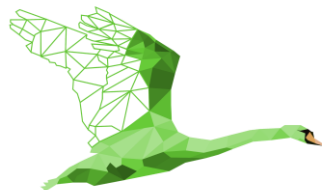


Black Feathers On Green Swans: **Windpower**





Green Swans: Female Empowerment



GREEN SWANS
OBSERVATORY



Top 10 solutions to climate change

Total gigatons of CO2-equivalent emissions that could be reduced by 2050

SOLUTION		PLAUSIBLE SCENARIO		DRAWDOWN SCENARIO		OPTIMUM SCENARIO	
Refrigerant Management	1	89.74	2	96.49	3	96.49	
Wind Turbines (Onshore)	2	84.60	1	146.50	1	139.31	
Reduced Food Waste	3	70.53	4	83.03	4	92.89	
Plant-Rich Diet	4	66.11	5	78.65	5	87.86	
Tropical Forests	5	61.23	3	89.00	2	105.60	
Educating Girls	6	59.60	7	59.60	8	59.60	
Family Planning	7	59.60	8	59.60	9	59.60	
Solar Farms	8	36.90	6	64.60	7	60.48	
Silvopasture	9	31.19	9	47.50	6	63.81	
Rooftop Solar	10	24.60	10	43.10	13	40.34	



Green Swans: Transport-As-A-Service

» *Speed of TaaS adoption*



- **Passenger miles will increase by 50%**, from 4 trillion passenger miles in 2015 to 6 trillion passenger miles in 2030.
- However, **revenues generated will shrink sharply**, from around \$1.5 trillion in 2015 to \$393 billion in 2030—a decrease of over 70%

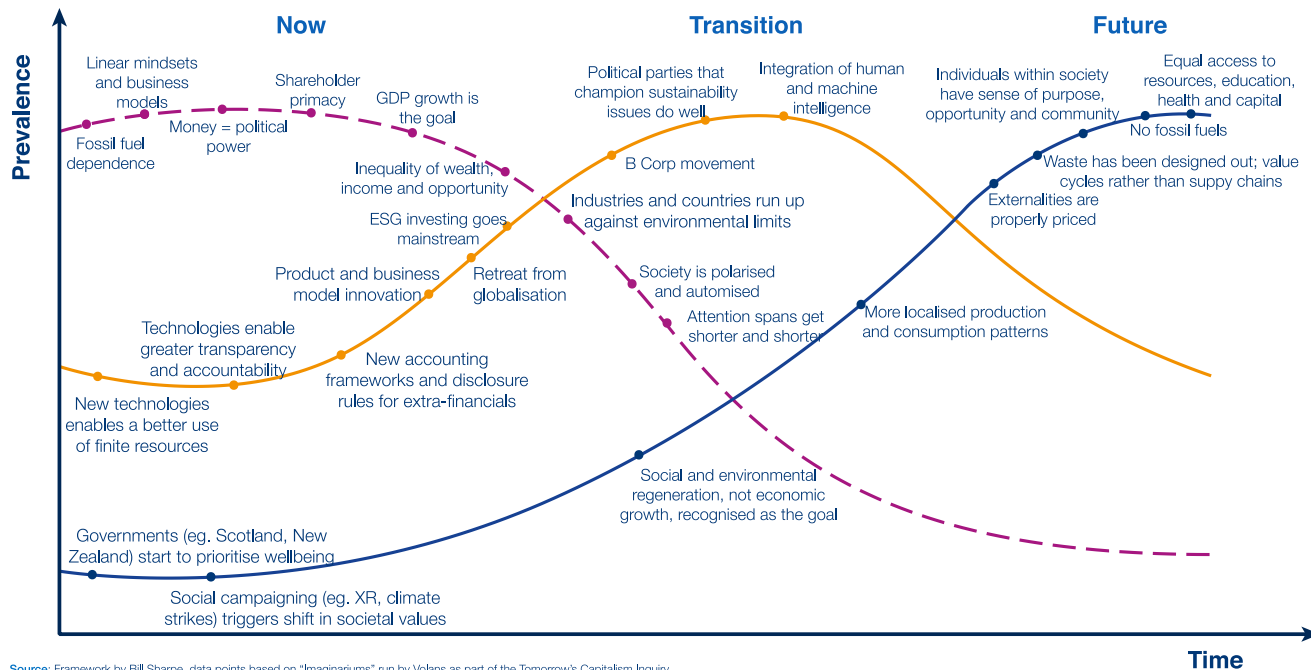
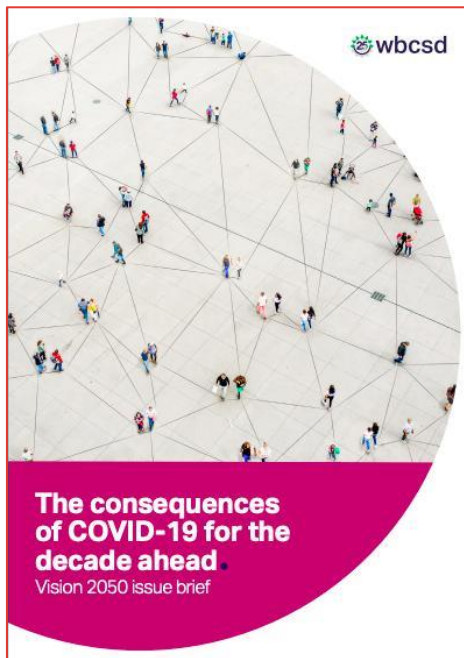


3 Horizons Of Tomorrow's Capitalism

Responsibility

Resilience

Regeneration



HEMA Sustainability Leaders Forum, 14 July 2020

THANK YOU

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