



# **Sustaining Sustainability**

**Wednesday, April 29, 2009**

**4:00 PM - 5:15 PM**





# What is sustainability...?

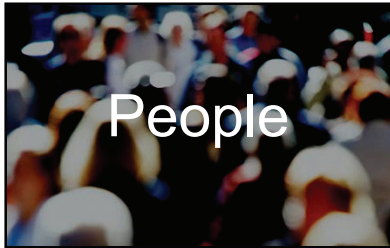
“...meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

1987 Report of the World Commission on Environment and Development  
"Brundtland definition"

“...create and maintain conditions under which [humans] and nature can exist in productive harmony, and fulfill the social, economic and other requirements of present and future generations of Americans.”

U.S. National Environmental Policy Act of 1969

# Triple bottom line





## Triple bottom line

- At its narrowest, TBL is about measuring and reporting corporate performance against economic, social and environmental parameters
- At its broadest, TBL is about values, issues, and processes that companies address to create economic, social and environmental values.

John Elkington, “Cannibals with Forks: Triple Bottom Line of the 21<sup>st</sup> Century”, 1998

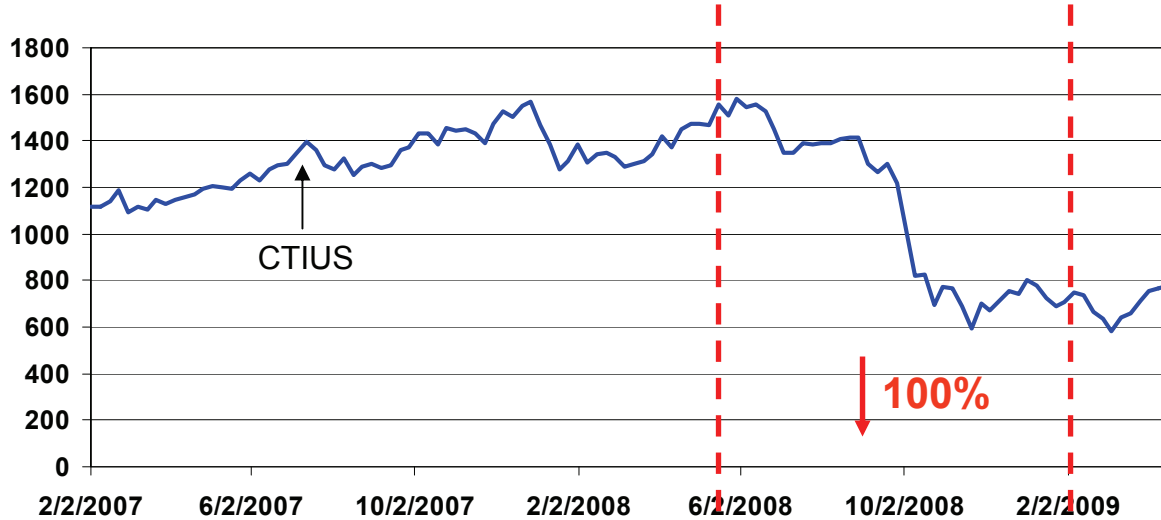
# Does the drastic drop in oil price threaten sustainability investments?



Source: Datastream.



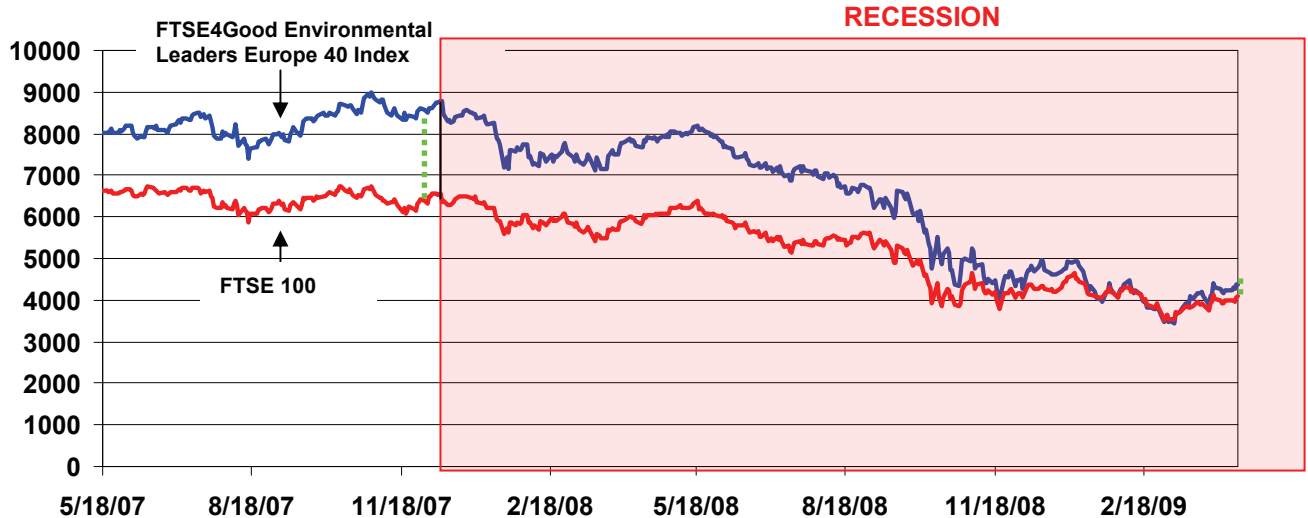
# Cleantech price index halves over 2008



Source: Bloomberg.



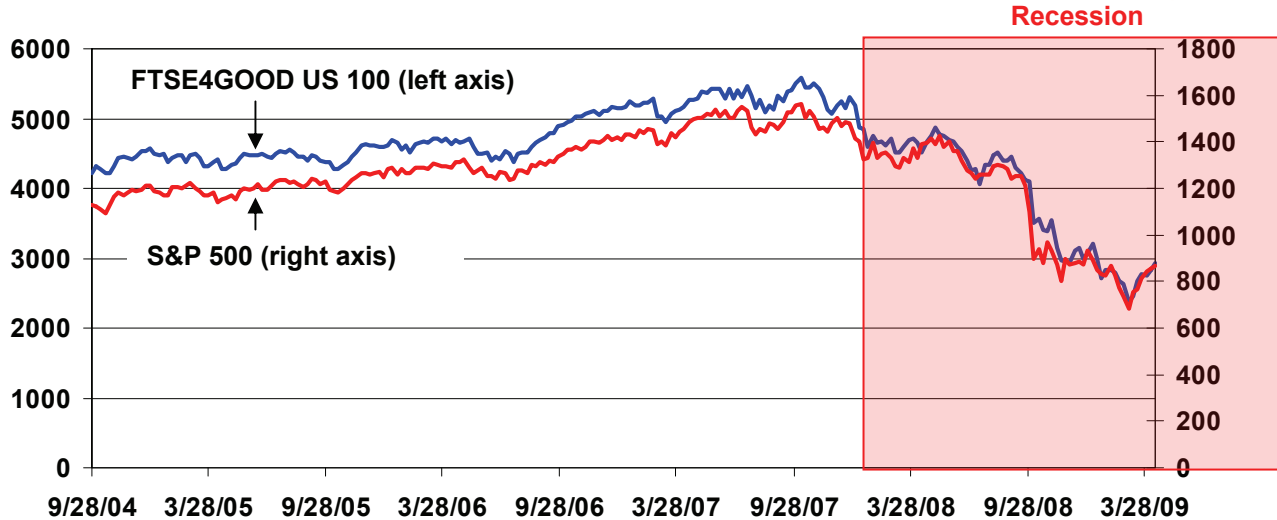
# EU environmental leaders tumble in recession



Sources: FTSE, Datastream.



# Leading US companies complying with corporate responsibility standards move with S&P500



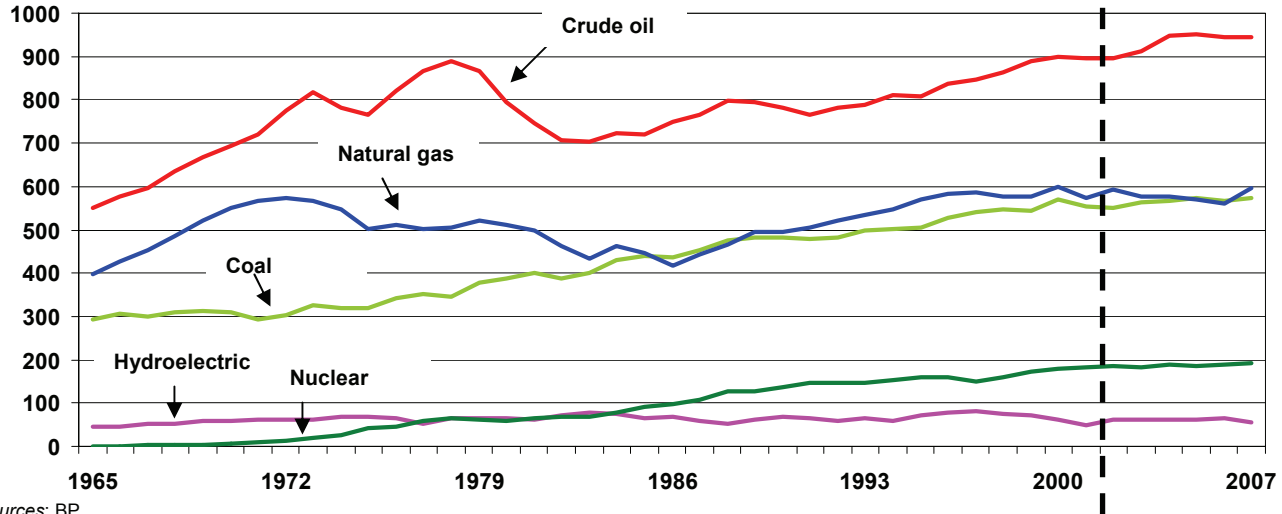
Sources: FTSE, Datastream.

# The growth of the world's primary energy consumption is slowing



MILKEN INSTITUTE

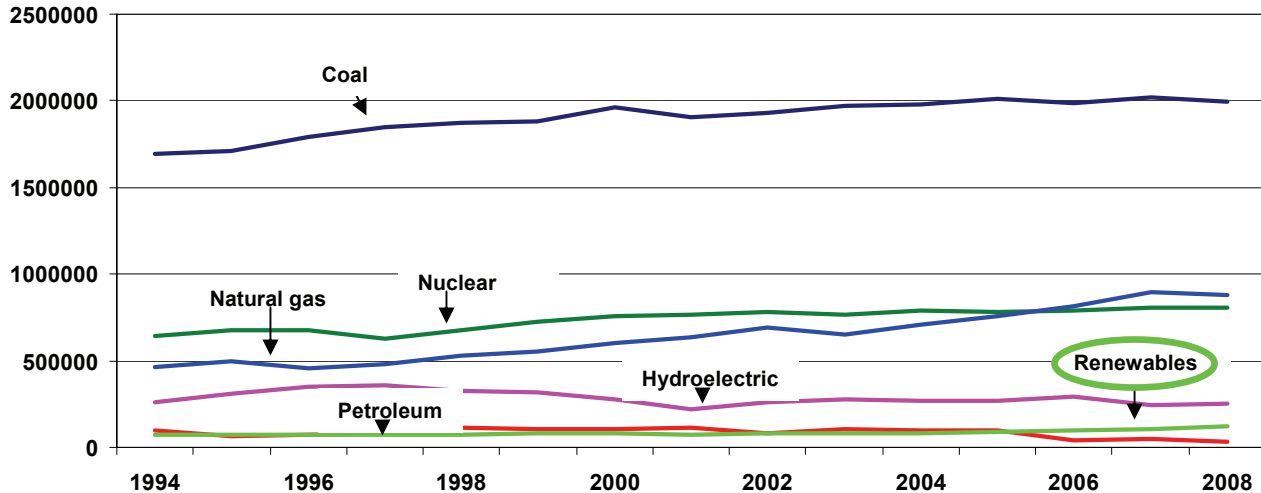
MTOE (million tons of oil equivalent)



Sources: BP.

# As of 2008 renewables contribute only 2.3% to U.S. energy generation

Thousand megawatthours



Sources: BP.



## “Greenwashing” (def.)

Main Entry: **greenwashing**

Function: *noun*

Etymology: *green* (environmentalist) + *brainwashing*  
: expression of environmentalist concerns especially as a cover for products, policies, or activities deleterious to the environment

- **greenwash** \ *transitive verb or noun*
- **greenwasher** \ *noun*



# Environmental issues that are caused by human activities

Sea level rise • Greenhouse gas — **Climate change** — Global warming • Global dimming • Fossil fuels

Holocene extinction event • Invasive species • Poaching • Endangered species — **Conservation** — Species extinction • Pollinator decline • Coral bleaching

Renewable energy commercialization — **Energy** — Energy conservation • Renewable energy • Efficient energy use

Monoculture • Environmental effects of meat production — **Intensive farming** — Overgrazing • Irrigation

Soil conservation • Soil erosion • Soil contamination • Soil salination — **Land degradation** — Land pollution • Desertification

Habitat destruction — **Land use** — Urban sprawl • Habitat fragmentation

Nanopollution — **Nanotechnology** — Nanotoxicology

Nuclear power • Radioactive waste — **Nuclear issues** — Nuclear fallout • Nuclear meltdown

Thermal pollution • Urban runoff • Wastewater. **Air pollution** — Smog • Tropospheric ozone • Indoor air quality — **Pollution** — Volatile organic compound • Light pollution • Noise pollution • Visual pollution. **Water pollution** — Acid rain • Eutrophication • Marine pollution • Ocean dumping • Oil spills • Thermal pollution • Urban runoff • Water crisis • Marine debris • Ocean acidification • Ship pollution •

Consumer capitalism • Planned obsolescence • Over-consumption — **Resource depletion** — Exploitation of natural resources Bottom trawling • Cyanide fishing • Ghost nets • Illegal, unreported and unregulated fishing • Overfishing • Shark finning • Whaling • Clearcutting • Deforestation • Illegal logging • Acid mine drainage • Mountaintop removal mining Slurry impoundments

Toxic waste • PCB • Bioaccumulation • Biomagnification — **Toxins** — Chlorofluorocarbons • DDT • Endocrine disruptors • Dioxin • Heavy metals • Herbicides • Pesticides

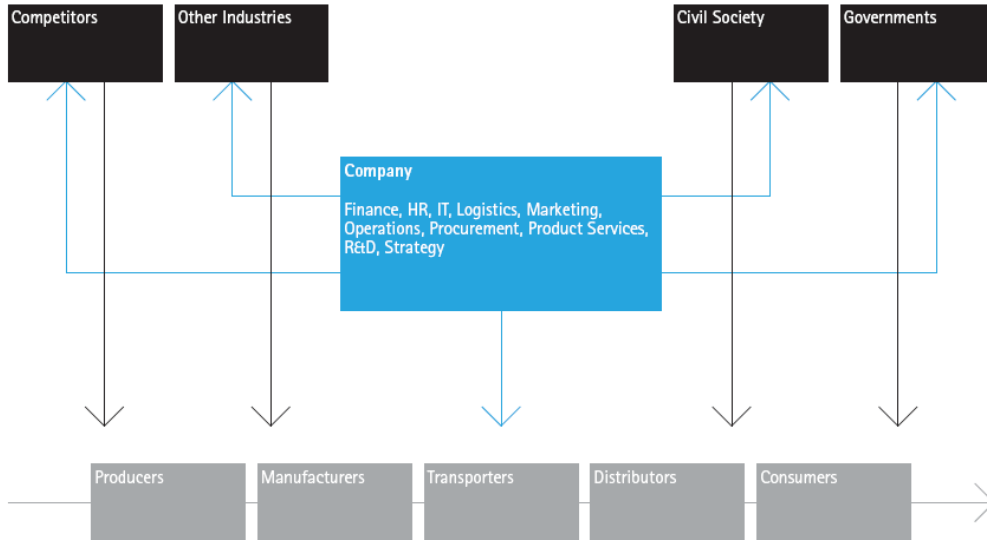
Waste disposal incidents • Marine debris • Landfill • Leachate • Recycling • Incineration — **Waste** — E-waste • Litter

# Benefits of responsible supply chain management

1. **Better working conditions reduce turnover and improve quality and reliability.**
2. **Environmental responsibility improves efficiency and profitability.**
3. **Risks are anticipated and managed, costs reduced and productivity enhanced.**
4. **Corporate brand and consumer confidence are protected and enhanced.**
5. **Communities, consumers and shareholders benefit.**
6. **Personal, community and corporate values of respect and equity are empowered.**



# Company influence on supply chain



Source: Unchaining Value: Innovative approaches to sustainable supply. 2008. Sustainability.

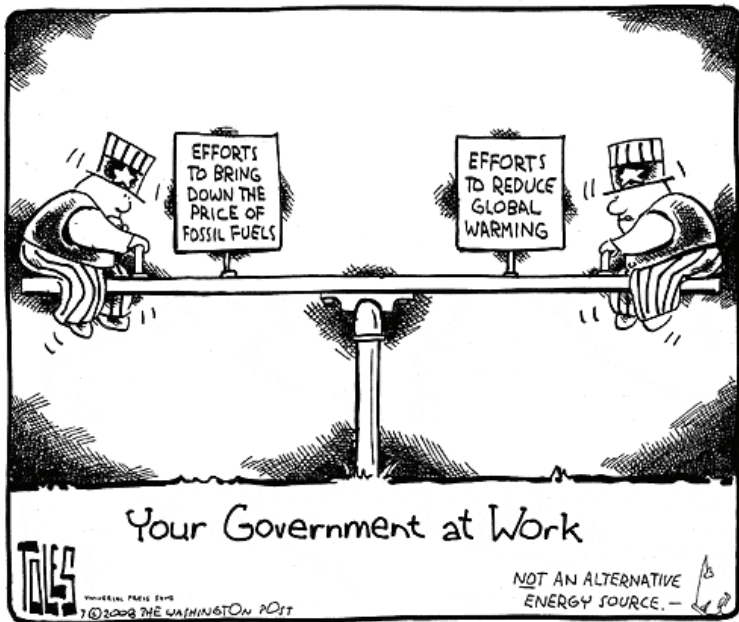
# Make green R&D a competitive advantage

1. Do a lifecycle analysis.
2. Look at big trends shaping the marketplace.
3. Drive progress with simple metrics.



Source: [www.businessweek.com](http://www.businessweek.com) (August 12, 2008).





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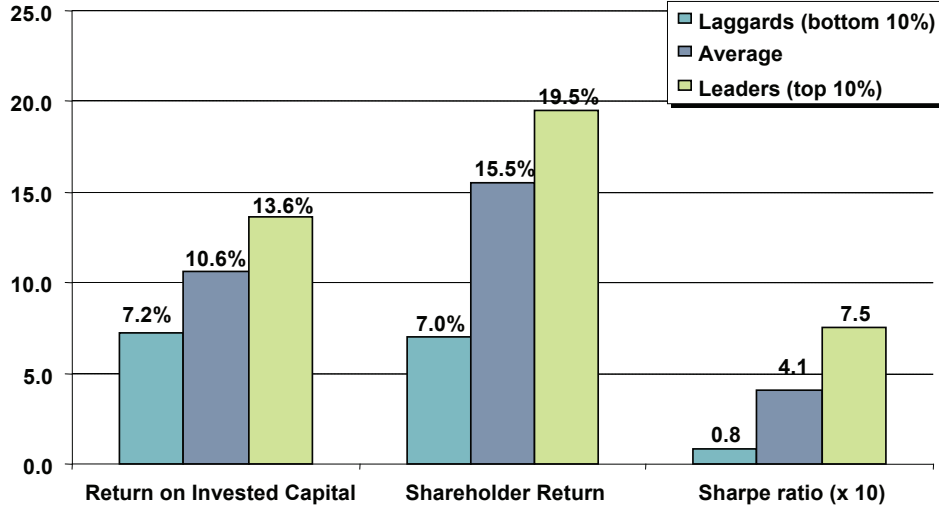


## **Robert Bucklin**

*Executive Vice President and Chief Corporate Banking Officer, North America*

**Rabobank International**

# Evidence of sustainability driving stock returns



Source: SAM Sustainable Asset Management AG.

# Today's speakers

**Robert Bucklin** (Moderator), *Executive Vice President and Chief Corporate Banking Officer, North America, Rabobank International*

**Steve Howard**, *CEO, The Climate Group*

**Mike Italiano**, *President and CEO, Market Transformation to Sustainability (MTS); Founder, Capital Markets Partnership*

**Audra Jones**, *Americas Director, International Business Leaders Forum*

**Matt Kistler**, *Senior Vice President, Sustainability, Wal-Mart Stores Inc.*

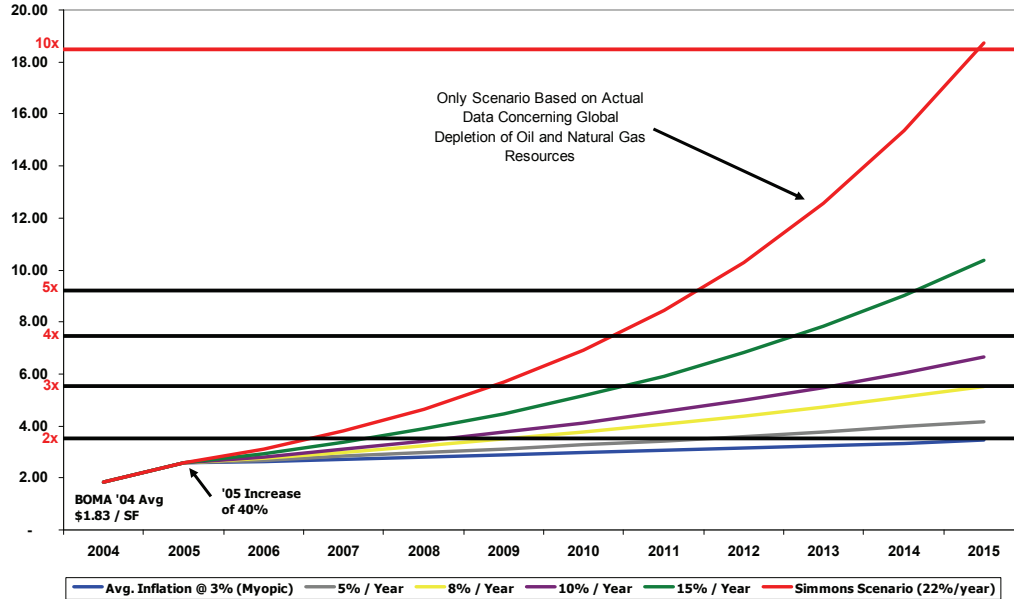
**Sharon Nunes**, *Vice President, Strategic Growth Initiatives, Big Green Innovations, IBM Systems & Technology Group*



**Mike Italiano**

*President and CEO/ Founder*

**Market Transformation to Sustainability (MTS)/Capital Markets  
Partnership**



**Conventional energy costs expected to continue increasing at 20% / yr. for 10 yrs.**

Source: Market Transformation to Sustainability (MTS)/Capital Markets Partnership