

Sustainability for Growth

Tess Mateo, CXCatalysts
29th Global Summit of Women
Basel, Switzerland
July 2019



Thinking Green is No Longer An Option

Validated Business Cases for Sustainability

- Cost Savings
 - Energy & Waste
 - Risk Mitigation
 - Talent Recruitment & Retention
- Revenue
 - Product & Service Innovation Driver
 - New Market Opportunities
 - Brand Enhancement

Increasing Regulation

Global Leaders now have a Sustainability Map

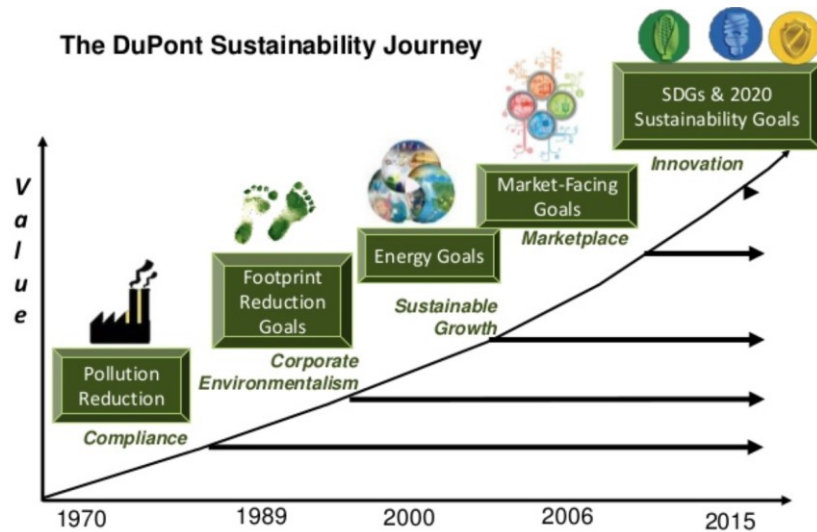
Business & the SDGs

How CEOs See the SDGs



- ▶ **70%** see the SDGs providing a **clear framework** to structure sustainability efforts
- ▶ **87%** believe the SDGs provide an **opportunity to rethink** approaches to sustainable value creation
- ▶ **49%** believe that business will be **the single most important** actor in delivering the SDGs

Sustainability Journeys Differ for Every Organization



OUR 2020 ENVIRONMENTAL GOALS

At Coca-Cola, we are dedicated to contributing to a healthier, happier world. That's why we are committed to:



WATER STEWARDSHIP

Goals: Improve water efficiency by 25%, help ensure healthy, resilient freshwater systems through conservation efforts with World Wildlife Fund and replenish 100% of the water we use

OUR SYSTEM HAS
INVESTED
\$1B+
over the past
decade in
our wastewater
treatment
initiatives

Improved water
use efficiency
for the
12th
straight year
with an **10%**
improvement
over 2010

99%
facility alignment
with our
wastewater treatment
standards

~94%
of the water
used in our
finished
beverages
replenished
in 2014

Through
209
community
water partnership
projects in
61
countries

ENERGY AND CLIMATE

Goal: Reduce CO₂ emissions embedded in 'the drink in your hand' by 25% through our entire value chain

installed
1.4 MILLION
HFC-free coolers in the
global marketplace

Improved energy efficiency by
21% since 2004



5.6 Million
Energy-management devices have been
installed on our refrigerator equipment, saving

~3.1 Million
metric tons of
CO₂ emissions
a year



PACKAGING

Goal: Reach a 75% recovery rate in developed markets of the equivalent amount of bottles and cans we introduce into the marketplace

INNOVATIVE PACKAGING
35 Billion+
PlantBottle™ Packages



Coca-Cola placed
6,900+
Recycling Bins
at the 2014 FIFA World Cup™ and
collected ~450 tons of solid waste.

Novozymes Business and Sustainability Journey



Sustainability Cost Savings for ALL Company sizes

- Improve energy & water efficiencies
 - Assess current use & costs against desired targets* for:
 - Building & offices—HVAC, lighting, electricity
 - Electronics, appliances & technology
 - Transport & mobility—travel, fleet
 - *Targets & benchmarks from industry guidelines, government standards, best in class studies, etc.
- Reduce waste
 - Use recycled versus virgin materials when possible
 - Reduce single use/disposable
 - Share/rent from sustainable suppliers versus buy & maintain

Understand customers' sustainability issues to innovate

Sustainability in customer industries drives innovations in new growth fields



Resources, Environment
& Climate

Food & Nutrition

Quality of life

Chemistry as enabler

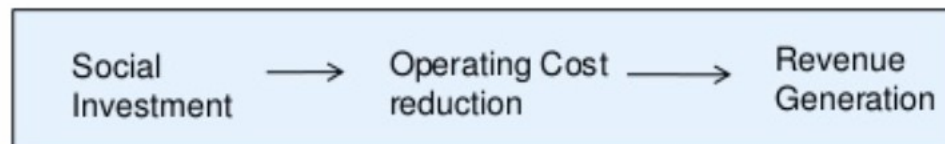
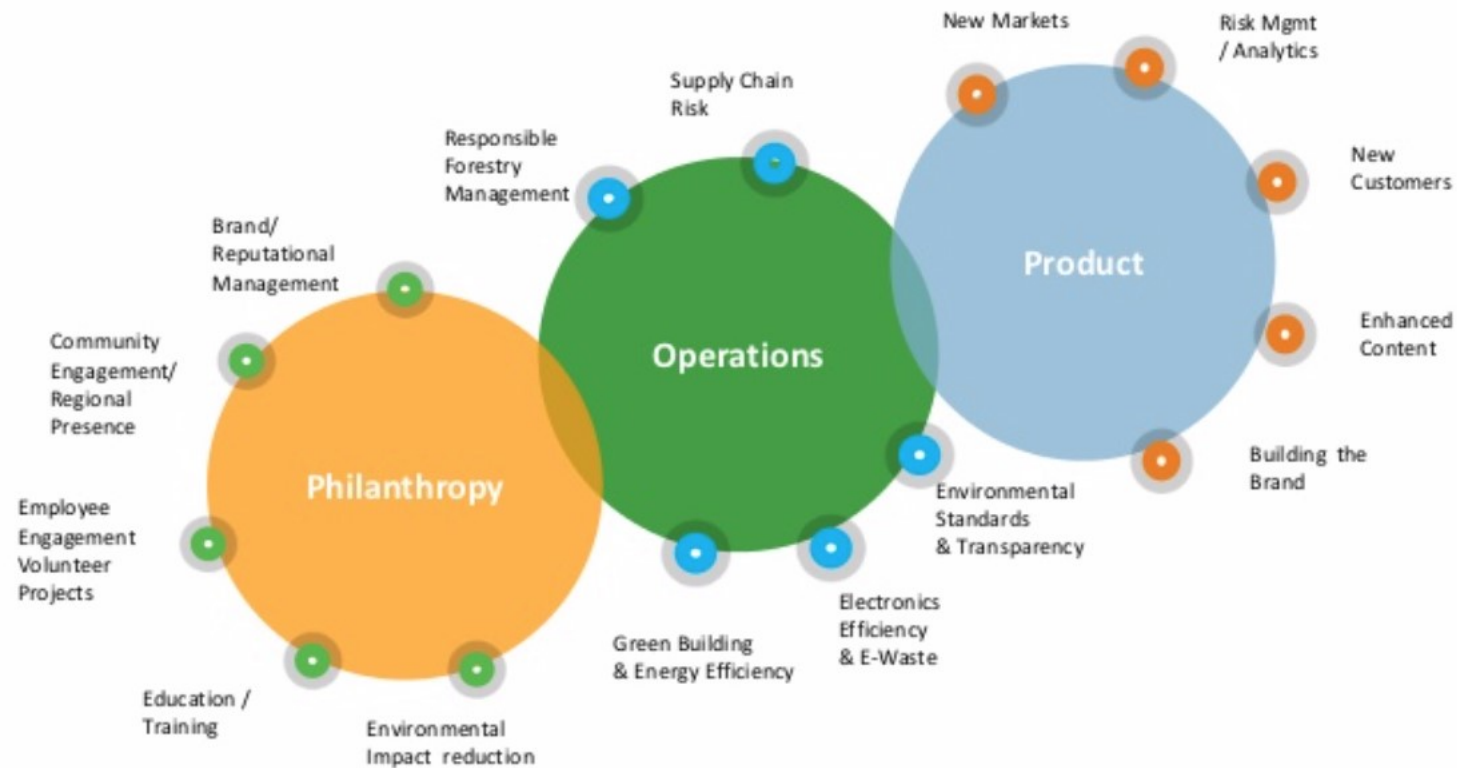
Customer industries							
	Transportation	Construction	Consumer Goods	Health & Nutrition	Electronics	Agriculture	Energy & Resources
Growth fields*	Batteries	Heat management	Enzymes	Medical	Organic Electronics	Plant biotechnology	Energy management
	Lightweight composites					Functional crop care	Rare earth metals recycling
	Heat management						Wind energy
							Water solutions

BASF's Tool to Measure a Product's Sustainability



Non manufacturers also see sustainability opportunities

- Only six years ago, Bloomberg announced 17 sustainability goals for products, operations and people to reach by the end of 2020



New Markets Related to Achieving SDGs

60 Biggest Market Opportunities Related to Achieving SDGs

- >\$25 trillion to achieve SDGs
- >50% in developing countries
- ALERT: Note Club of Rome sponsored meta-analysis
 - To achieve the 17 SDGs by 2030, would require **THREE** planets
 - Only one path to sustainable 2050. **Prioritize renewable energy, sustainable food chains, gender equality and education for all**

Food and Agriculture	Cities	Energy and Materials	Health and Well-Being
Reducing food waste in value chain	Affordable housing	Circular models - automotive	Risk pooling
Forest ecosystem services	Energy efficiency - buildings	Expansion of renewables	Remote patient monitoring
Low-income food markets	Electric and hybrid vehicles	Circular models - appliances	Telehealth
Reducing consumer food waste	Public transport in urban areas	Circular models - electronics	Advanced genomics
Product reformulation	Car sharing	Energy efficiency - non-energy intensive industries	Activity services
Technology in large-scale farms	Road safety equipment	Energy storage systems	Detection of counterfeit drugs
Dietary switch	Autonomous vehicles	Resource recovery	Tobacco control
Sustainable aquaculture	ICE vehicle fuel efficiency	End-use steel efficiency	Weight management programs
Technology in smallholder farms	Building resilient cities	Energy efficiency - energy intensive industries	Better disease management
Micro-irrigation	Municipal water leakage	Carbon capture and storage	Electronic medical records
Restoring degraded land	Cultural tourism	Energy access	Better maternal and child health
Reducing packaging waste	Smart metering	Green chemicals	Healthcare training
Cattle intensification	Water and sanitation infrastructure	Additive manufacturing	Low-cost surgery
Urban agriculture	Office sharing	Local content in extractives	
	Timber buildings	Shared infrastructure	

Opportunity

Increase economic opportunity

Priorities

- Enhance **economic mobility and inclusion** of associates, frontline retail workers and workers in supply chains
- Promote growth of **suppliers, local manufacturing and small businesses** – especially women-owned, diverse

Business impact

- Associate engagement
- Productivity

Societal impact

- Frontline workforce mobility
- Economic growth

Sustainability

Enhance sustainability of global supply chains

Priorities

- Reduce **energy intensity and emissions** in our operations and the supply chain
- Move to a **zero waste** future across the supply chain
- Help preserve **natural resources**, especially forests, water and land
- Help create a more **affordable, sustainable and healthy food system**
- Promote **transparency and quality** in products we sell
- Support the **safety and dignity of workers** everywhere

Business impact

- Cost of goods sold and operating expenses
- Supply security

Societal impact

- GHG, natural capital
- Food security
- Worker safety, livelihoods

Community

Strengthen local communities

Priorities

- Enhance **disaster resilience** in communities
- Develop **communities** through engagement of associates, customers and the company

Business impact

- Sales, license to operate
- Associate engagement

Societal impact

- Stronger communities
- Disaster mitigation



In FY2017 we reached
our goal, set in 2012, of buying

70 percent

of our U.S. goods from suppliers that
participate in the Sustainability Index,
in categories where the Index
is available.

Free Resources for Sustainability Journey

- Sustainability Rating Systems & Rankings
- Corporate online tools for their suppliers (eg Walmart's Project Gigaton)
- Corporate sustainability reports of customers & competitors



Sample online tools

Government

- Energy efficiency:
<https://www.energy.gov/eere/articles/8-online-tools-help-save-you-energy-and-money>

NGOs

- Material reuse: <https://pathway21.com>
- Zero waste: <http://www.wrap.org.uk>

Corporates

- Walmart Project Gigaton:
<https://www.walmartsustainabilityhub.com>
- BASF SeeBalance:
<https://www.basf.com/global/en/who-we-are/sustainability/management-and-instruments/quantifying-sustainability/seebalance.html>

Group Challenge: Equality Moonshot




Females capturing >30% of investments
AND wealth created in the next two decades
as governments and businesses spend
trillions to achieve the SDGs ...

To ensure world's resources will be owned
by a balance, diverse and representative
group of peoples which enables 9 billion
people to live well, achieving the 17 SDGs,
within Earth's limits by 2050



4th Industrial Revolution (4IR) Fuel Technological Disruption



A top-down photograph showing a large number of hands of various skin tones (white, light brown, dark brown, and black) stacked together in a circular formation. The hands are resting on a green surface decorated with white stars. The background around the edges of the green surface is red. The text is centered over the green area.

Thank you!
Tess Mateo
tmateo@cxcatalysts.com