



THINK about TOMORROW,  
**TODAY!**

AN ADITYA BIRLA GROUP SUSTAINABILITY INITIATIVE



ADITYA BIRLA GROUP

# ||| COPING WITH THE **2<sup>0</sup>C WORLD**



4<sup>th</sup> Aditya Birla Group  
Sustainable Business  
Conference

25<sup>th</sup> - 26<sup>th</sup> September, 2018  
ITC Grand Central, Mumbai

# Coping with a 2 Degree World

September 25, 2018 | ABG | Shiv



# Structure

- Origins
  - Is the threat for real?
- Examples of some action
  - Sustainable companies
- My personal examples – Electronic waste, Water, Plastic, Sugar
  - What do we need to do?



# The Origin

1975 Dr William Nordhaus

1997 Kyoto

2015 - Paris 197 countries



**Right now, the temperature is 1.1 degrees  
higher compared to pre industrial era**



**You will not notice a degree change through your work day from home to work to home, a 2 degree change for the world is a different equation**



# Extreme Weather Events

	1950-66	1967-83	1984-00	2001-18	1950-83	1984-18	1950-72	1973-95	1996-18
<b>Floods</b>	100	400	1200	2800					
<b>Droughts</b>					200	500			
<b>Wildfires</b>					70	350			
<b>Extreme Temperature</b>							25	100	440



# The impact of a 1.5 and 2 degree world

	1.5 degree warmer	2.0 degree warmer
Heatwaves	1.1 months	1.5 months 5 %
Heavy Rainfall likelihood	5 %	7%
Wheat production	Down 9 %	Down 16 %
Sea level base year 2000	Increase by 40 cms	Increase by 50 cms





**18 of the hottest years in the world have come in the last 19 years, since 2000.**



**Shenzhen has a EV bus fleet  
Paris will have no diesel vehicles in CBD by 2030**



# The Ocean Impact

- The Ocean accounts for 20% of our dietary protein requirement
- Between 1901 – 1990 sea levels grew 1.2 mm per year
- Between 1993 and 2010, sea levels grew 3 mm per year



# Does sustainability impact profit and mkt cap?



# The Top 10 Sustainable Companies list

Company	Currency	Revenue/Income Billion	Mkt Cap Billion
1.Siemens	Euro	83	93
2.Starbrand, Norway	\$	4	4
3.Cisco,US	\$	36	221
4.Danske Bank, Denmark	Danish Krona	23	30
5.ING, Netherlands	Euro	5	56
6.Commonwealth bank, Australia	Aus \$	9.8	126
7.Philips NV, Netherlands	\$	20	44
8.J and J, US	\$	77	383
9.DSM NU Netherlands	Euro	8.6	17
10. Enagas , Spain	Euro	0.87	5.7

Source : Corporate Knights ,  
2017



**Between 2006 and 2010, sustainability focused companies have had higher ROA, PBT, better cash flows and better employee morale and delivered \$ 650 mln more in mkt cap.**



# China and Sustainability

- On Jan 5, 2017, committed \$360 billion till 2020
  - Cancelled 103 coal plants
    - Cut coal by 30 %
  - Floating solar farms



# My personal examples





# Nokia Electronic waste Recycling plan



PHONE RECYCLE KARO AUR BANO

PLANET  
KE RAKHWALE

**NOKIA**  
Connecting People

Your old phone  
is amazing.  
Recycle it.

we:recycle

For more information  
SMS <GREEN> to 55555

The advertisement features a man in a green shirt holding a mobile phone, standing next to a recycling bin. The bin has a graphic of hands holding a globe and the text 'Your old phone is amazing. Recycle it.' and 'we:recycle'. A banner above the man says 'PHONE RECYCLE KARO AUR BANO'. To the right, there is a green box with a globe and the text 'PLANET KE RAKHWALE'. Below that is the Nokia logo and tagline 'Connecting People'. At the bottom right, it says 'For more information SMS <GREEN> to 55555'. The 'we:recycle' logo is at the bottom left of the bin.



# Water Challenge



# Sugar



# Plastic



# What do we need to do?

1. Responsible stewardship of our products and operations, **BEYOND LEGAL COMPLIANCE**
2. Strategic stakeholder management, eg Traceability
3. New Business Models, rethinking supply chain



# Summary

