



**FORUM
FOR THE
FUTURE**



**THE FUTURE OF SUSTAINABILITY
COURAGE TO TRANSFORM**

DR SALLY UREN – NOVEMBER 2023

THIS MOMENT IN TIME





United Nations
Climate Change

The different

futures that

lie ahead.

A photograph of Earth from space, showing the planet's curvature. The atmosphere is a vibrant green and blue, indicating a healthy environment. The landmasses are visible in shades of brown and green.

+1.5 °C

A photograph of Earth from space, showing the planet's curvature. The atmosphere is a mix of yellow, orange, and red, suggesting a warming climate. The landmasses are visible in shades of brown and green.

+2 °C

A photograph of Earth from space, showing the planet's curvature. The atmosphere is a deep red and orange, indicating extreme warming. The landmasses are visible in shades of brown and green.

+3 °C



PROFIT
SUPREME

SHALLOW
GESTURES

TECH
OPTIMISM

COURAGE TO
TRANSFORM

4 BUSINESS TRANSITION TRAJECTORIES



PROFIT SUPREME

- Businesses focus on their historical purpose: to maximise short-term shareholder value and profits.
- Some companies believe that integrating ESG might be a violation of fiduciary duty.
- Some companies don't engage, unclear about what to do – a sense of apathy.
- Some businesses actively oppose the value of sustainability initiatives - seek to make it a 'culture war' issue.
- Critics challenge whether efforts actually do any good.



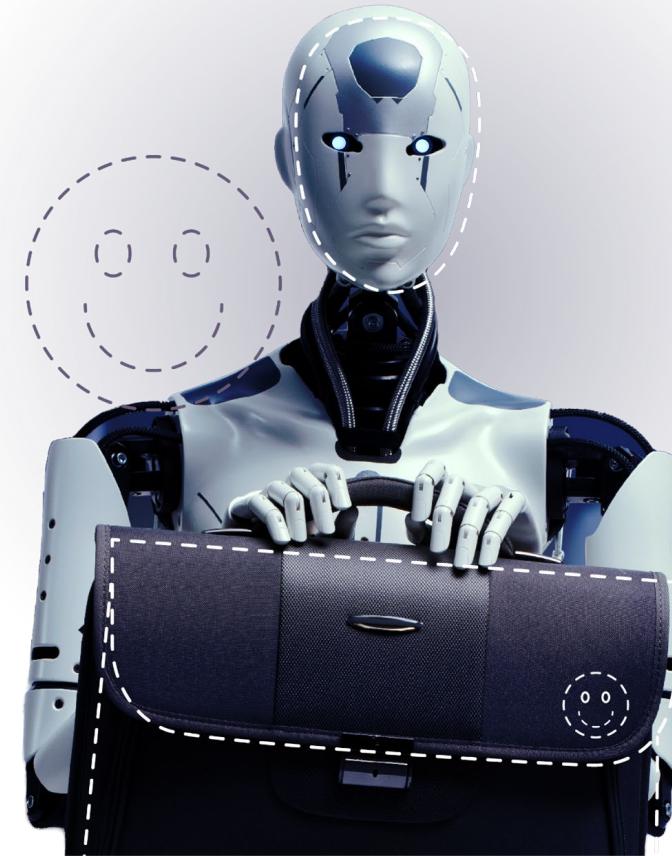
SHALLOW GESTURES

- Businesses appear to take actions to address environmental and social challenges, but are unable to commit to the trade-offs that will be required and maintain 'business as usual.'
- Crises are left to voluntary market forces.
- Bold announcements are made and "green" product lines are launched but these efforts fall short of creating meaningful impact.
- People publicly repeat the rhetoric of 'change' but efforts ultimately resemble a placebo effect



TECH OPTIMISM

- Companies utilise the power of data and technology to address environmental and social challenges.
- Companies rely on technology platforms that are asset-light and skilled in quick innovation and experimentation.
- Technology solutions become central in managing the transition to decarbonisation, disaster resilience, and restoring nature.



COURAGE TO TRANSFORM

- Business, government, and civic leaders demonstrate the courage to step forward to accelerate the emerging paradigm shift
- New regulatory, policy, and procedural approaches expand the economic agenda to encompass safeguarding and rejuvenating ecosystems while bolstering communities.
- Defining value evolves to encompass equitable and regenerative business models that enhance resilience.

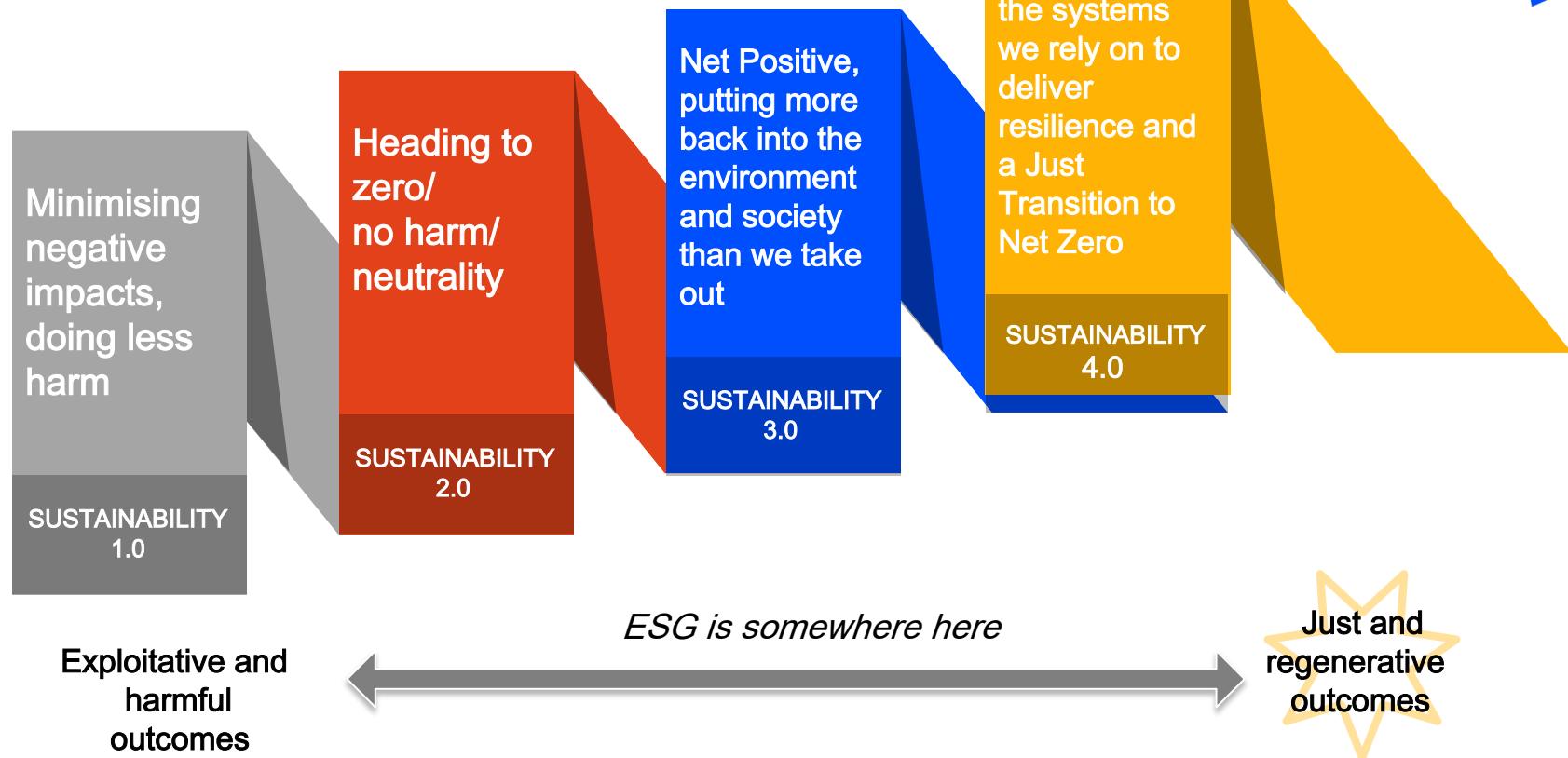


IMPLICATIONS FOR CORPORATE SUSTAINABILITY?



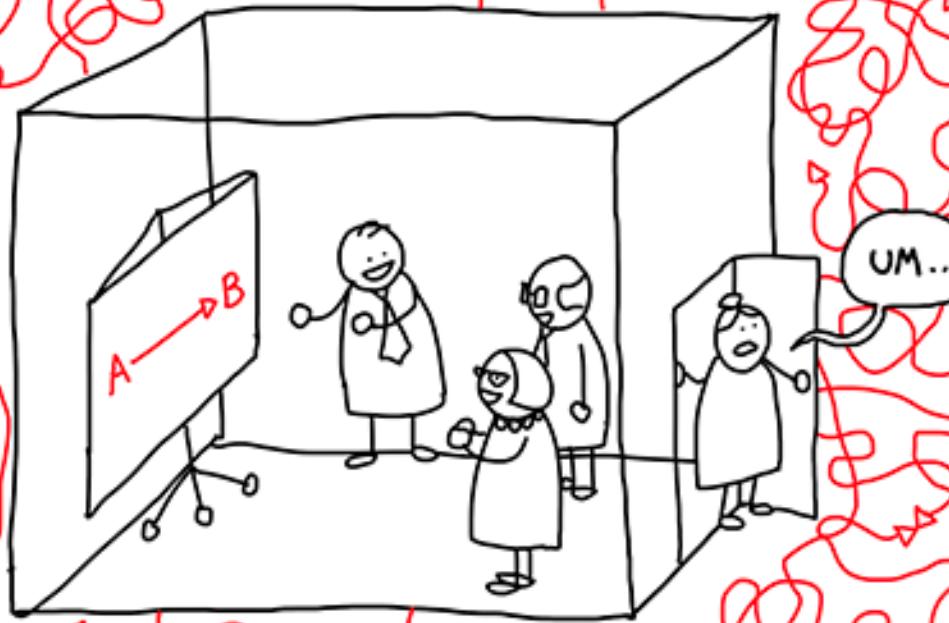


TIME TO RAISE OUR AMBITION



A JUST AND REGENERATIVE APPROACH

- Recognises planetary boundaries
- Creates and distributes value in new ways
- Understands that humans are a fundamental part of nature
- Respects everyone's universal rights and potential to thrive
- Is underpinned by system change









THE FOOD SYSTEM ISN'T 'BROKEN'



*It's doing what it was set up to do.
What would happen if the goals changed?*

23.23	+9.32	[1.56%]	3.00	-0.50	4.22	-0.22
21.34	+0.32	[0.32%]	84.01	-0.50	838.34	-8.22
72.20	-0.21	[3.10%]	84.41	-0.50	21.23	+9.32
2,322.00	Forum for the Future		9329.38	-0.50		
3.00	-9.33	[0.66%]	23.01	-0.50	20.34	+0.34
23.03	-3.38	[5.29%]	84.81	-0.50	72.20	-0.21
238.27	-7.93	[8.12%]	84.81	-0.50		
928.10	+3.03	[0.89%]	46.01	-0.50		
38.23	+0.34	[0.93%]	74.31	-0.50	3.00	-9.33
4.23	+0.00	[1.93%]	84.81	-0.50		
46.02	-3.23	[1.32%]	84.81	-0.50		
47.38	+3.98	[0.32%]	84.81	-0.50		
74.32	-3.21	[0.99%]	74.71	-0.50		
2,494.87	-0.32	[5.32%]	10.01	-0.50	928.10	+3.03
2.48	+9.73	[0.02%]	74.71	-0.50	38.23	
332.45	+2.09	[1.87%]	34.71	-0.50	4.23	
86.39	+3.03	[0.89%]	84.41	-0.50		
4.21	+0.34	[0.93%]	74.71	-0.50	46.02	
132.09	+0.00	[1.93%]	3.01	-0.50	47.38	
33.83	+2.23	[3.78%]	84.81	-0.50		
57.92	-2.23	[1.32%]	84.81	-0.50		
23.33	-2.21	[0.73%]	100.73	-0.40	2.48	
832.98	+3.98	[0.32%]	48.81	-0.50		
73.12	+1.32	[2.12%]	48.81	-0.50	332.45	
833.22	-3.21	[0.99%]	18.41	-0.50	86.39	
8,212.30	-0.32	[5.32%]	84.81	-0.50		
3.00	+9.73	[0.02%]	21.23	-0.50	4.21	
83.12	+2.09	[1.87%]	1.31	-0.50	132.09	
63.98	+9.32	[1.56%]	84.81	-0.50	33.83	
234.22	+0.32	[0.32%]	184.01	-0.50	57.92	
2.32	-0.21	[3.10%]	33.83	-0.50		
24.13	+3.33	[0.32%]	84.81	-0.50	23.33	
74.75	+0.32	[2.23%]	932.98	-0.50	832.98	
89.43	+4.10	[1.93%]	79.11	-0.50	2.48	
92.42	-0.43	[9.83%]	84.81	-0.50	73.12	
9329.32	+3.03	[0.89%]	6,811.30	-0.50		
23.32	+0.34	[0.93%]	3.01	-0.50		
928.10	+0.00	[1.93%]	84.81	-0.50	833.22	
38.23	+3.23	[3.78%]	63.01	-0.50	2.32	
4.23	-23.23	[1.32%]	84.81	-0.50	24.13	
46.02	-29.21	[0.73%]	84.81	-0.50	74.75	
47.38	+3.98	[0.32%]	67.01	-0.50	89.43	
74.32	+1.32	[2.12%]	84.81	-0.50	92.42	
2,494.87	-9.21	[0.99%]	23.01	-0.50	9329.32	
74.75	-0.32	[5.32%]	84.81	-0.50	2,212.30	

HOW MIGHT THE GOALS OF THE ECONOMY SHIFT?

Traditional investment approach

Paradigm maintaining:
Maximise risk-adjusted financial returns

ESG Investing

Policy is adjusted but overall goal the same:
Maximise risk-adjusted financial returns using ESG investment criteria

Impact Investing

Emergence of new forms and world views: Achieve specific social, environmental or other outcomes along with (or in lieu of) financial returns

Credit: UNEP Investment approaches and Impact Investment

HOW TO MOVE TOWARDS SUSTAINABILITY 4.0, SYSTEM CHANGE AND MAKE COURAGE TO TRANSFORM OUR FUTURE?

5 SHIFTS TO CONSIDER





FROM A
RISK MITIGATION
MINDSET...

“We only move when we have to. We do just enough to keep people off our backs.”

...TO A
TRANSFORMATIONAL
MINDSET



“How can we do things differently, create positive change AND new pathways to value creation”



DONG Energy
is becoming
Ørsted

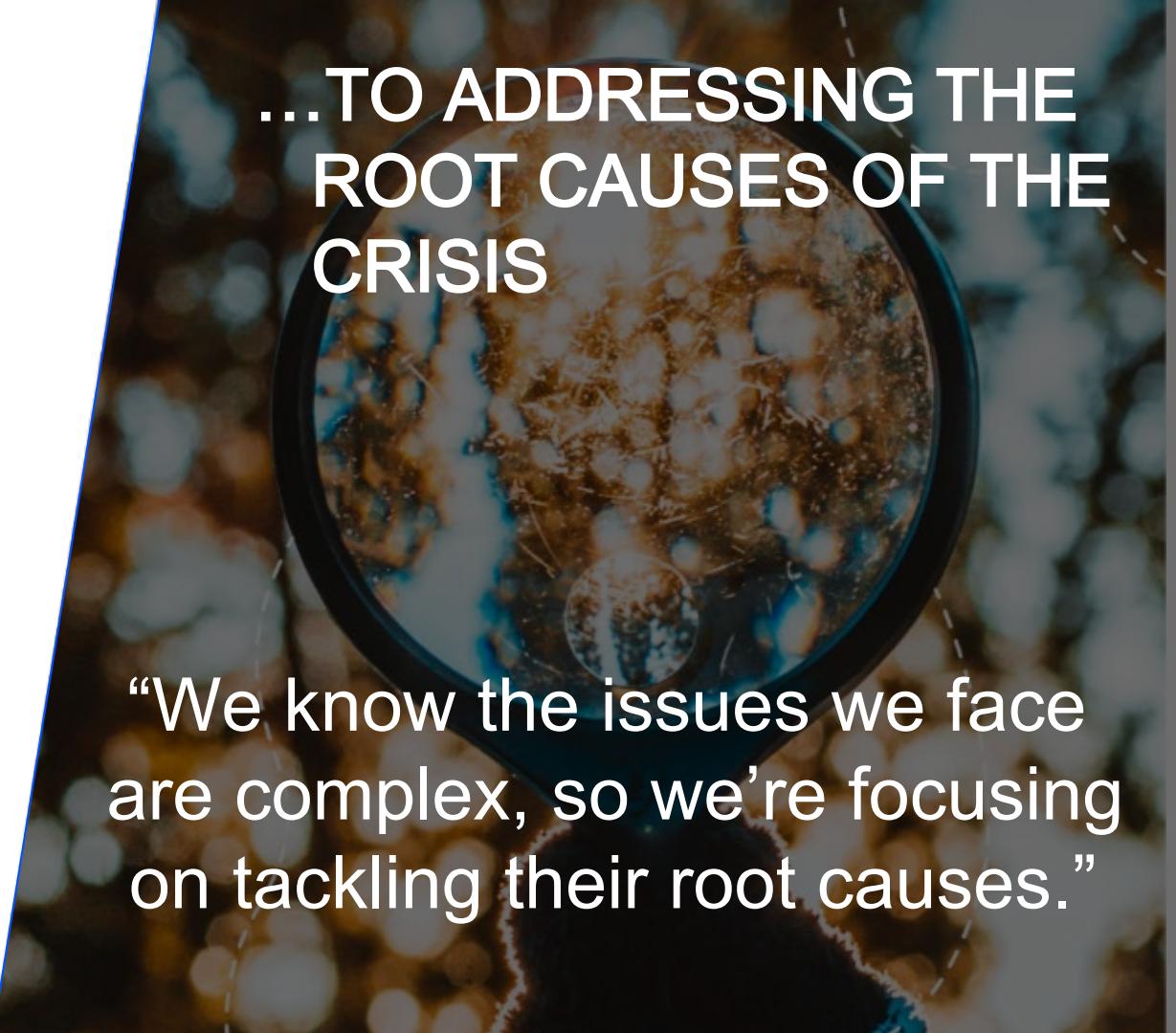




FROM ADDRESSING THE SYMPTOMS OF THE CRISIS ...

“We’ve found the ‘silver-bullet’ answers that solve the key societal issues we face”

...TO ADDRESSING THE ROOT CAUSES OF THE CRISIS



“We know the issues we face are complex, so we’re focusing on tackling their root causes.”



MEASURING WHAT WE VALUE

- Investing for water security and quality was, at first, about volumes
- Now its about creating **shared benefits** with all stakeholders: River, wetland, marshland restoration plus investment in public health and local economic growth





FROM A
PASSIVE APPROACH
OF RESPONDING TO
YOUR
OPERATING
CONTEXT...

“It’s safer to keep a low profile and not waste time on engaging externally.”

...TO PROACTIVELY
INFLUENCING YOUR
OPERATING CONTEXT



“Becoming a resilient, futurefit business requires us to enable wider change through partnership with suppliers, competitors and policymakers”



PROACTIVE INFLUENCING THE OPERATING CONTEXT

Via individuals



Via collaborations



Via brands





FROM
SLOW, CENTRALISED
DECISION-MAKING
AUTHORITY AND
RESPONSIBILITIES...

“It’s a complex issue,
and we’re taking steps
in the right direction,
even if they’re small.”

...TO MORE AGILE,
DISTRIBUTED
GOVERNANCE MODELS



“With so much volatility and
the accelerating pace of
change, we must respond
quickly, or it will be too late”



SHIFTING TO SCENARIO-BASED PLANNING

- Shift from fixed business planning cycles to **scenario-based business planning**, innovation and operations transformation
 - Acknowledges there is no predictability
 - Many outcomes can happen
- Focus is to empower teams with built-in agility

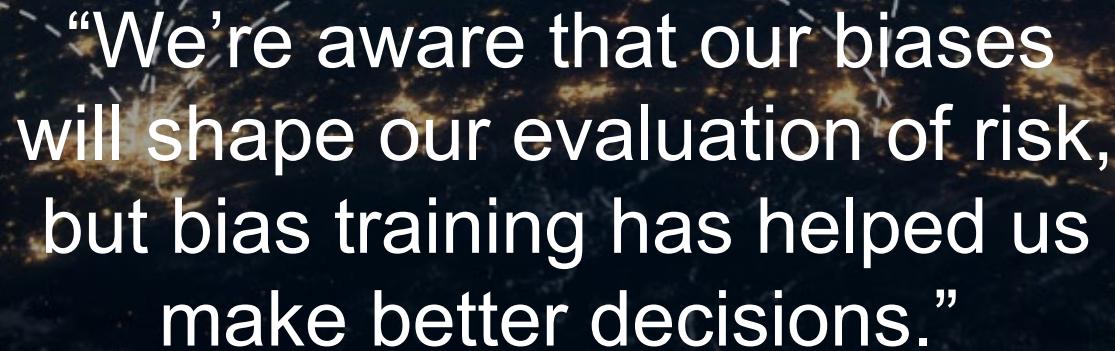




FROM AN ASSUMPTION
THAT WE ARE EXEMPT
FROM BIAS...

“Let’s just follow our
peers; it will all work
out in the end, it’s just
too expensive to act
now...”

...TO INCORPORATING
BIAS AWARENESS INTO
DECISION MAKING AND
STRATEGY
DEVELOPMENT



“We’re aware that our biases
will shape our evaluation of risk,
but bias training has helped us
make better decisions.”

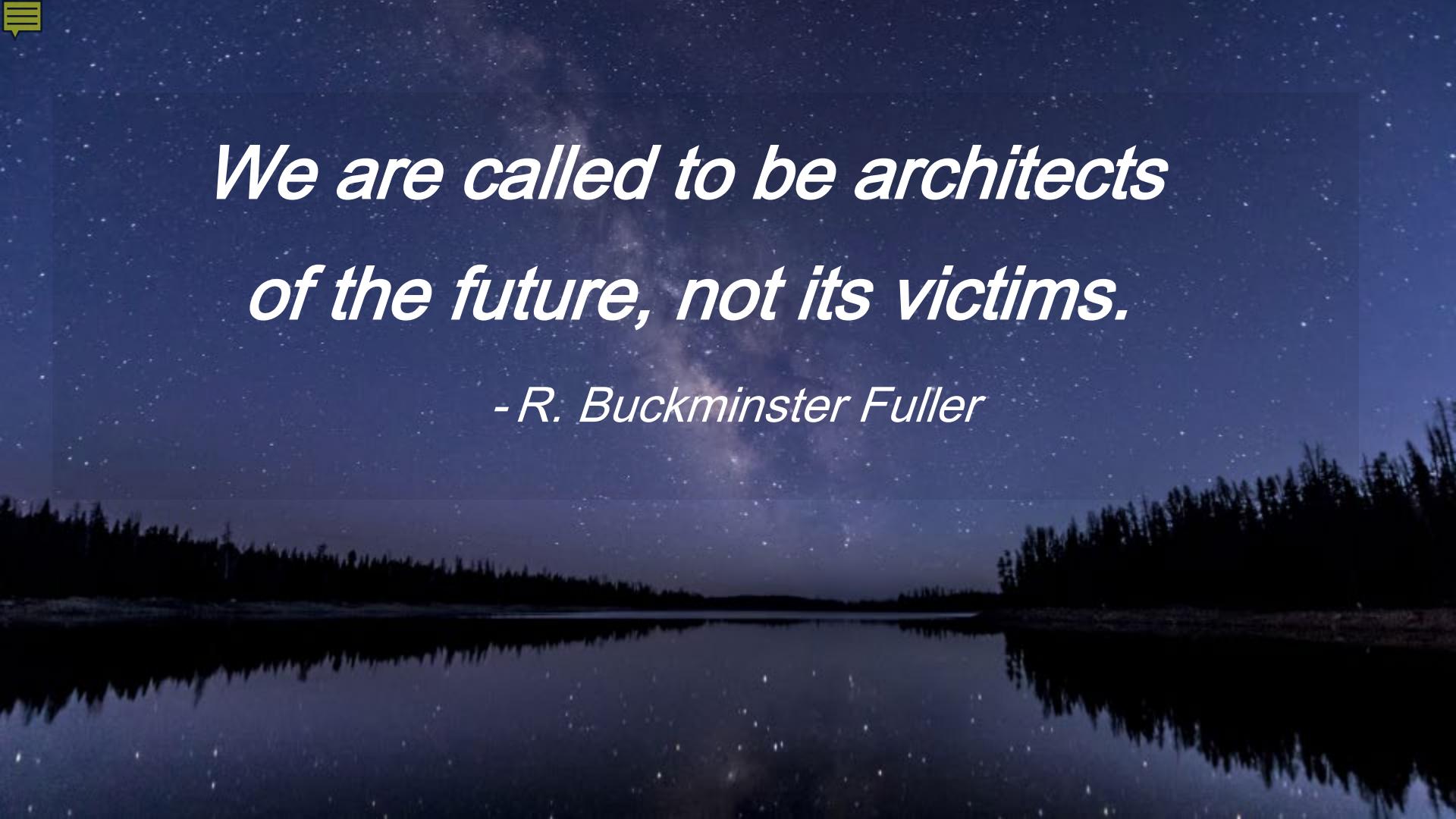


FIVE PRINCIPLES TO TRANSFORM

1. Shift from a **risk mitigation** mindset to a **transformational** mindset
2. Shift from addressing the **symptoms** of the crisis to addressing the **root cause** of the crisis.
3. Shift from **passively responding** to your operating context to **actively shaping** the context
4. Shift from **slow centralised** decision-making authority to more **agile distributed** governance models.
5. Shift from an assumption that we are **exempt from bias** in how we assess **risk** to incorporating **bias awareness** into decisions around risk.



COURAGE



*We are called to be architects
of the future, not its victims.*

- R. Buckminster Fuller



Thank you

Dr Sally Uren OBE
s.uren@forumforthefuture.org

Download our latest report:

Future of Sustainability:
The Courage to Transform



Forum for the Future
2023