

Life cycle thinking underpinning the road to circular economy

Johan Widheden, Senior Sustainability Expert

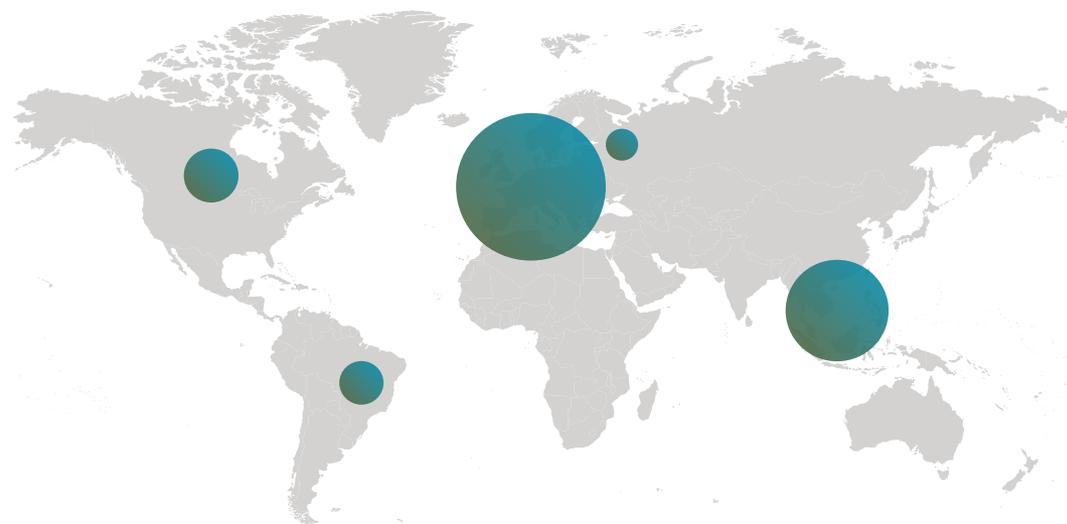




AkzoNobel

Leading global paints and coatings company and a major producer of specialty chemicals

- 46 000 employees, 4 000 within RD&I
- 2 700 in Sweden, 300 within RD&I



What does AkzoNobel stand for?



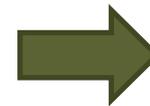
Alfred Nobel



No. 1

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM 



AkzoNobel



What kind of company do we want to be?

**The world's first Paints and Coatings Company to
chart a scientific path towards...**

Zero

- **Carbon in our use of energy**
- **Waste in our use of materials**
- **Harm from our products**



Business risks: Global financial implications

- ❑ China's Ministry of Environmental Protection calculates estimates the cost of pollution at roughly **3.5% of GDP**. Other sources say 6-7%. "China's pollution curbs may start slowing growth within months" (Bloomberg News, 2 oct. 2017)
- ❑ Without further mitigation action, climate change is projected to impact the global GDP by 1.0% to 3.3% by 2060, with projections up to 10% by the end of the century (OECD, 2015)
- ❑ A catastrophe caused by climate change was seen as the biggest potential threat to the global economy according to a survey of 750 experts conducted by the World Economic Forum in 2016.
- ❑ Large impacts on fresh water resources

Business risks: Financial institutions

ROCKEFELLER & CO. | Sustainability and Impact Investing

Investing for a Low Carbon Economy

Y FARHA-JOYCE HARBOUCHA, CFA
DIRECTOR OF SBI INVESTMENTS
ROCKEFELLER ASSET MANAGEMENT

Insights
CLIMATE CHANGE, RENEWABLES

World's biggest sovereign wealth fund dumps dozens of coal companies

Norway's giant fund removes investments made risky by climate change



World Bank Group President Jim Yong Kim

Financial regulators need to lead, as well. Sooner rather than later, they must address the systemic risk associated with carbon-intensive activities in their economies, made clear, of course, by price signals. Start now by enforcing disclosure of climate risk and requiring companies and financial institutions to access their exposure to climate-related



96 Cities That Are Quitting Fossil Fuels and Moving Toward 100% Renewable Energy

Cole Mellino | September 22, 2015 9:46 am | Comments

Mark Carney: most fossil fuel reserves can't be burned

Bank of England governor lends his support to 'carbon bubble' theory that coal, gas and oil assets are at risk, reports BusinessGreen



Bank of America joins the parade to shift away from fossil fuels

Stephen Kennett
Monday, May 11, 2015 - 12:30am



Bank of England governor Mark Carney: "vast majority of reserves are at risk" (Reuters)

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Guardian sustainable business Finance

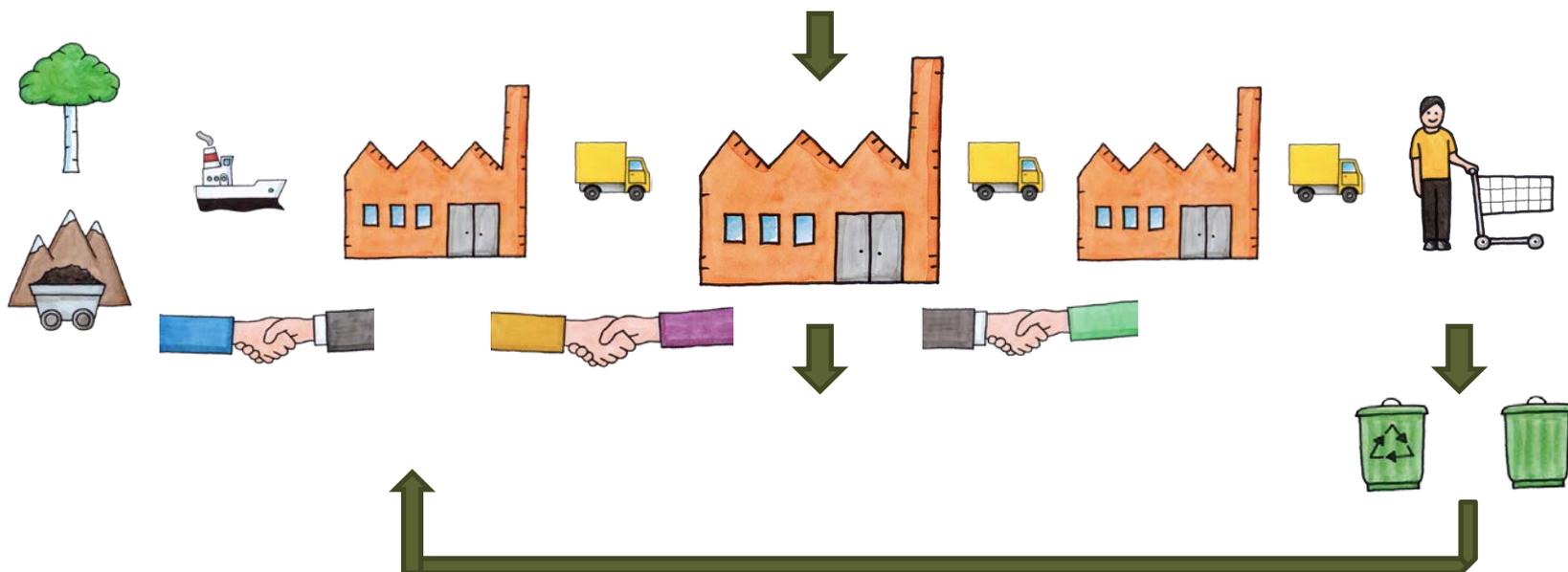
Sustainable investing: are companies finally moving money away from fossil fuels?

Wall Street's big banks are starting to realize it's possible to drop oil without dropping returns

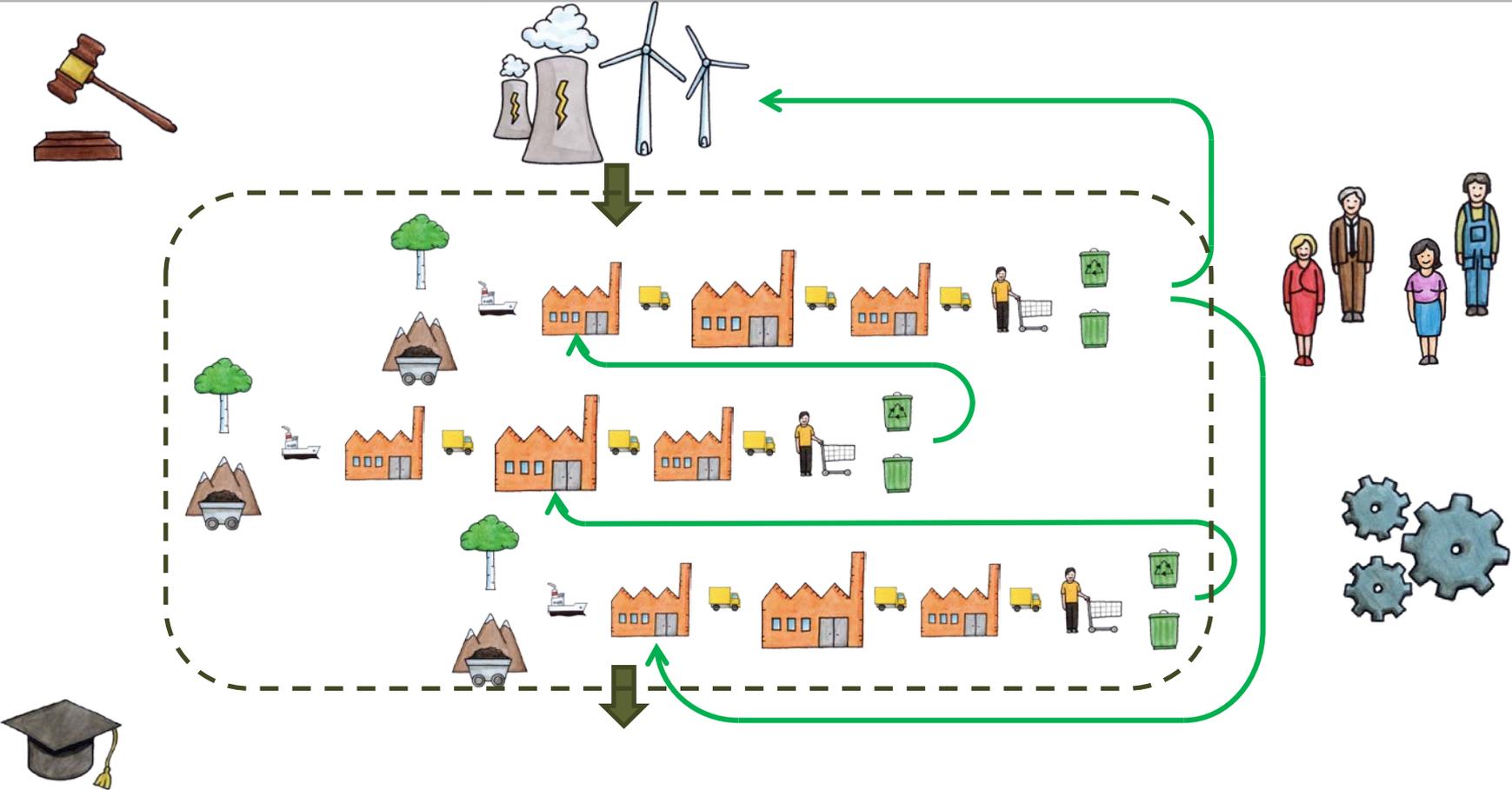
investments for climate risk is simply being pragmatic

Possible

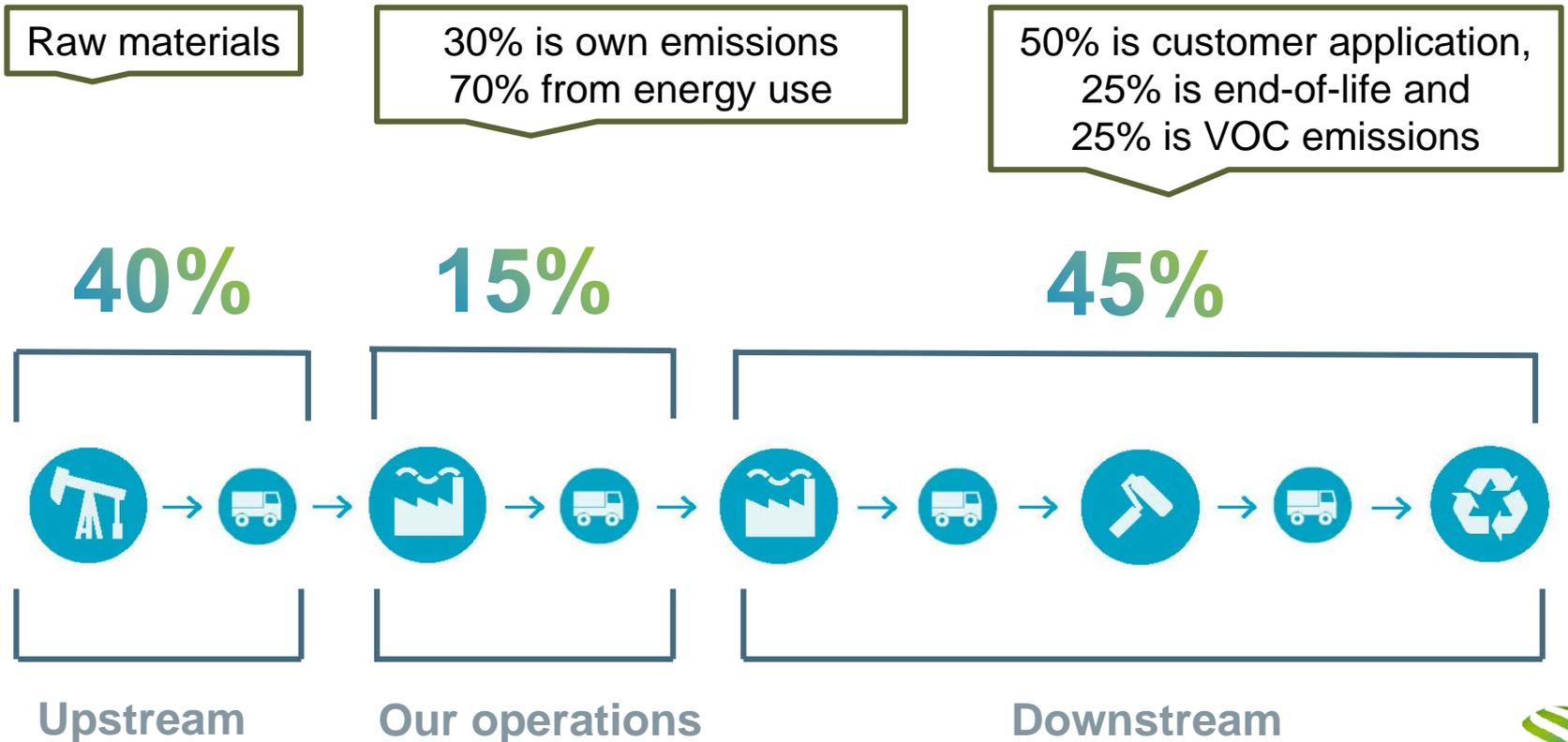
How do we view companies?



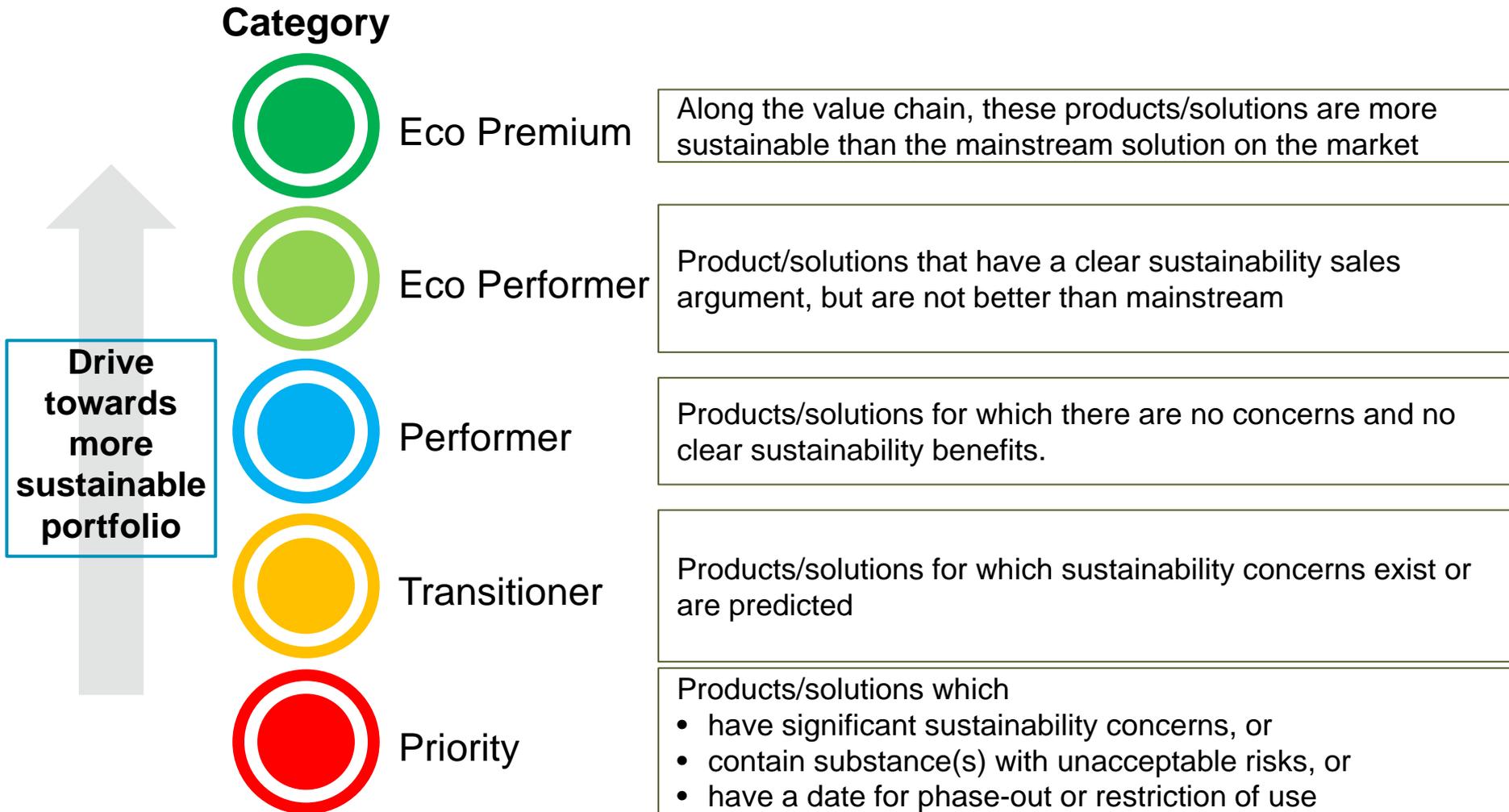
Companies in a societal context



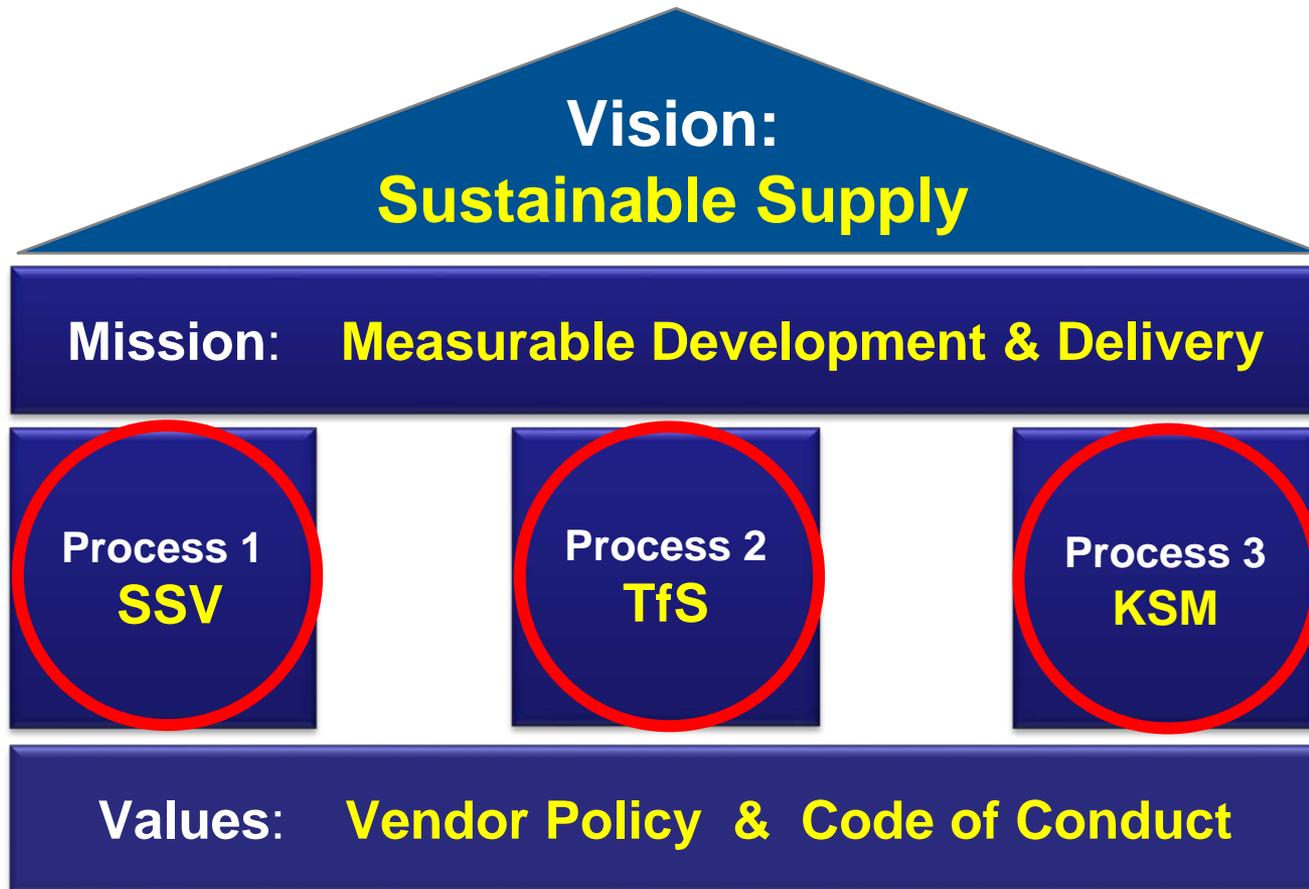
AkzoNobel eye-opener: Carbon footprint of our products through the value chain



Innovation process: Portfolio Assessment, based on WBCSD



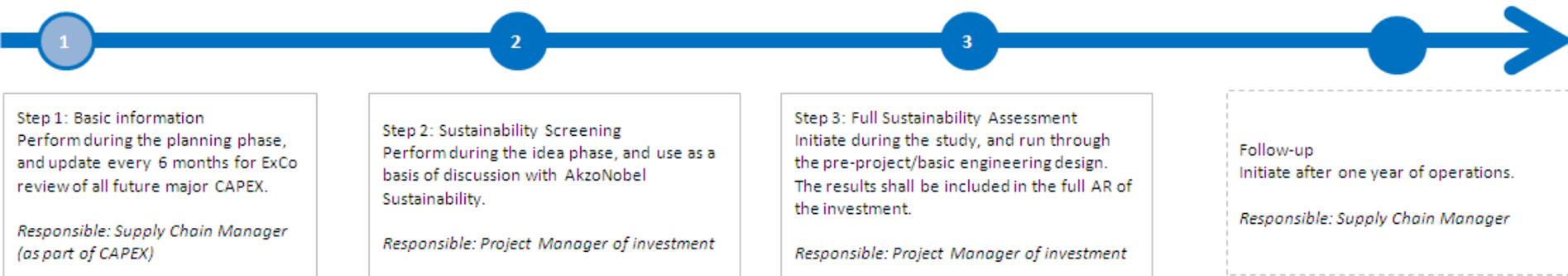
Supplier Sustainability Framework



Sustainability assessment of investments >5 MEuro

3 stage gates:

1. **Planning phase:** Basic information – high level information
2. **Idea Phase:** Sustainability Screening – detailed information
3. **Pre-project and design phase :** Full sustainability assessment - Eco-efficiency assessment + Carbon Pricing



Cooperation and trust is imperative!



Partnerships



Who do



We need leadership!

We need visions!

We need BHAGs!

We need to be brave!

