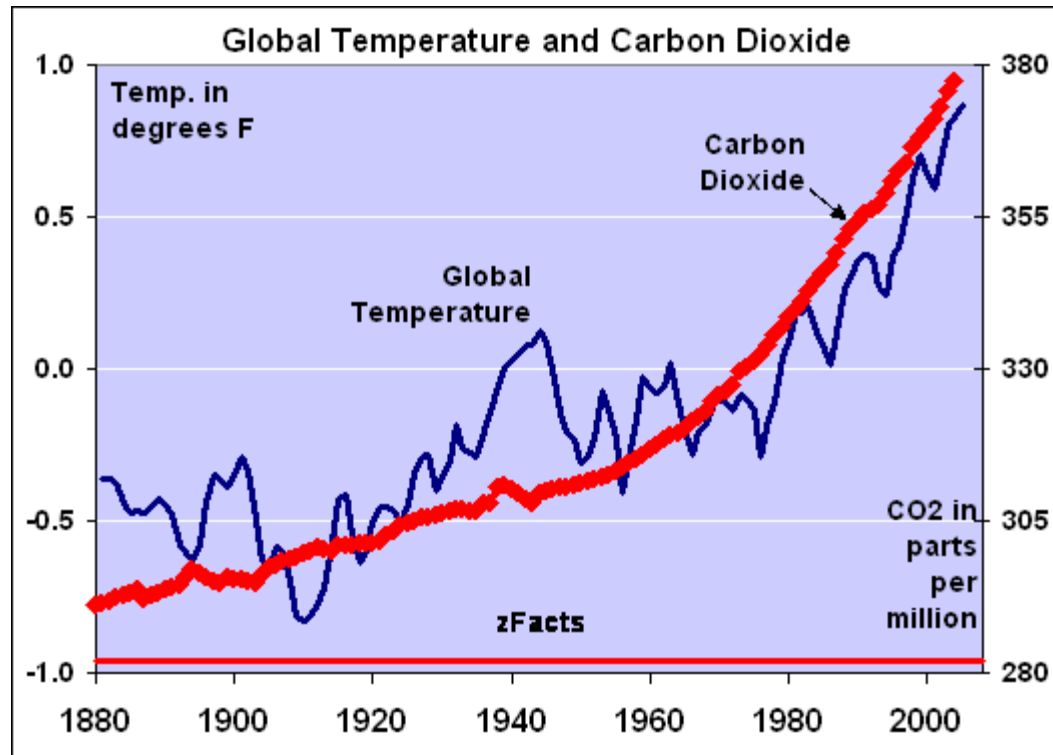


# Taking advantage of the Green Wave for Businesses

Remi Chandran

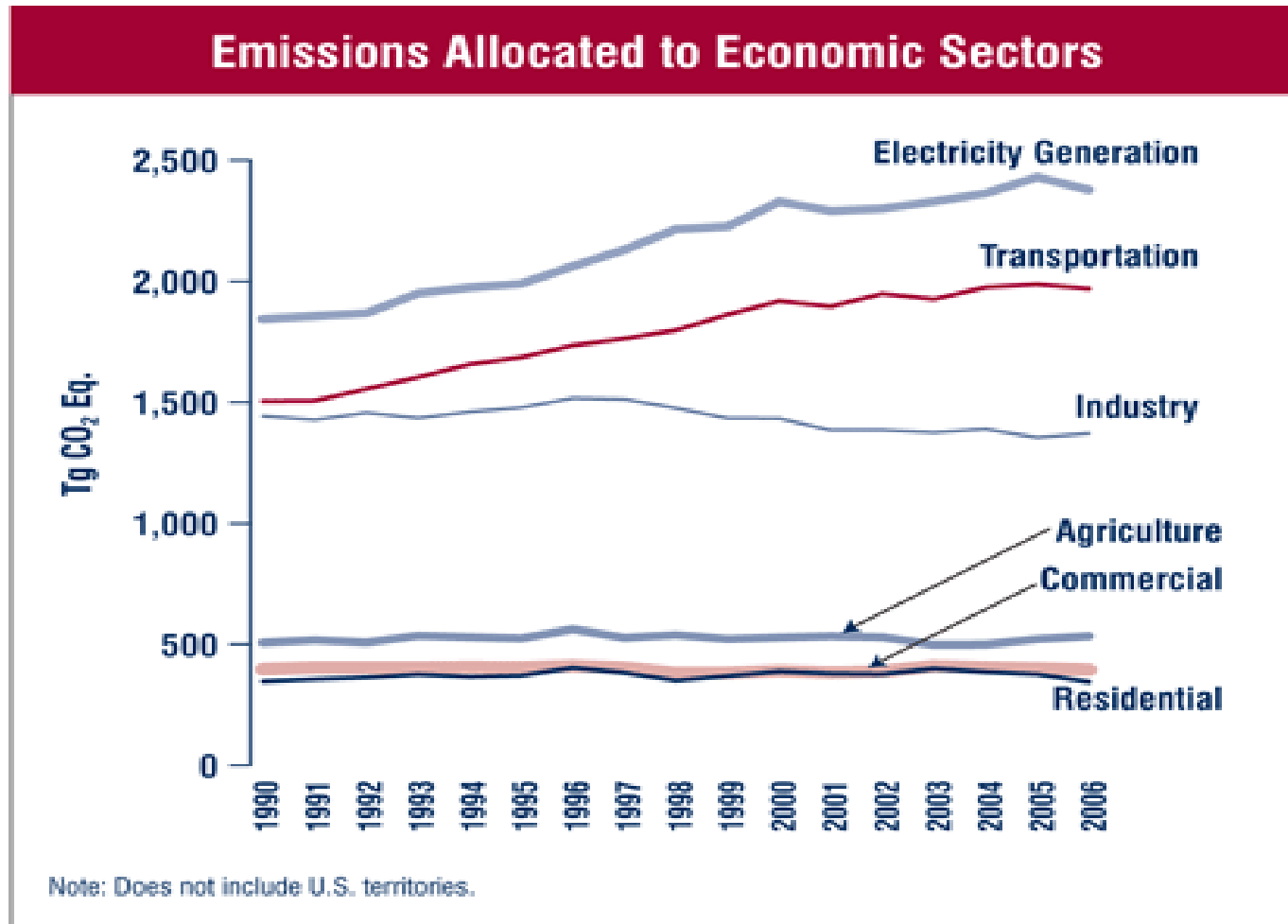
# Temperature and CO2 emission



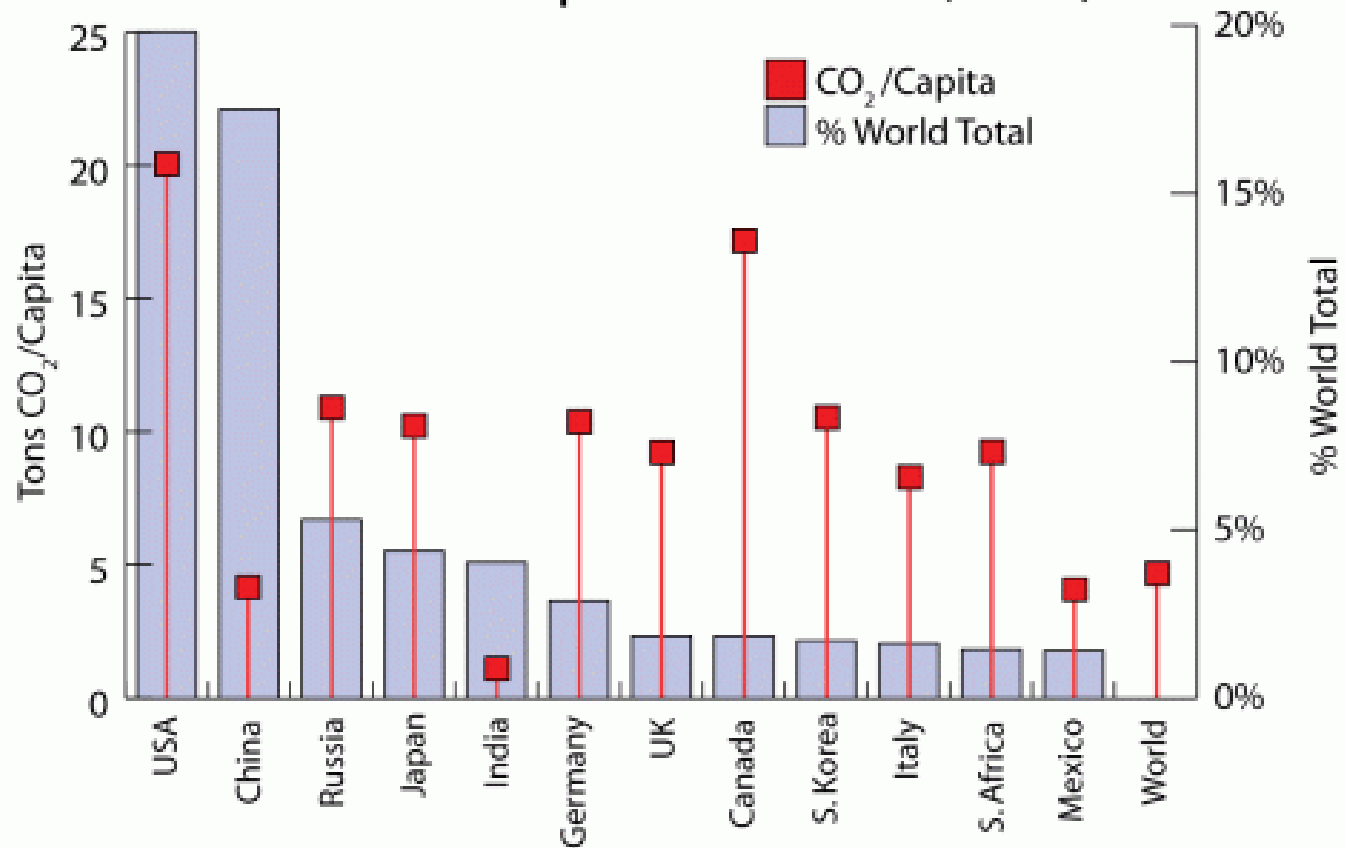
# Natural Emission



# Human Induced Emission



## Top 12 CO<sub>2</sub>-Emitting Countries & Their Per-Capita Emissions (2004)

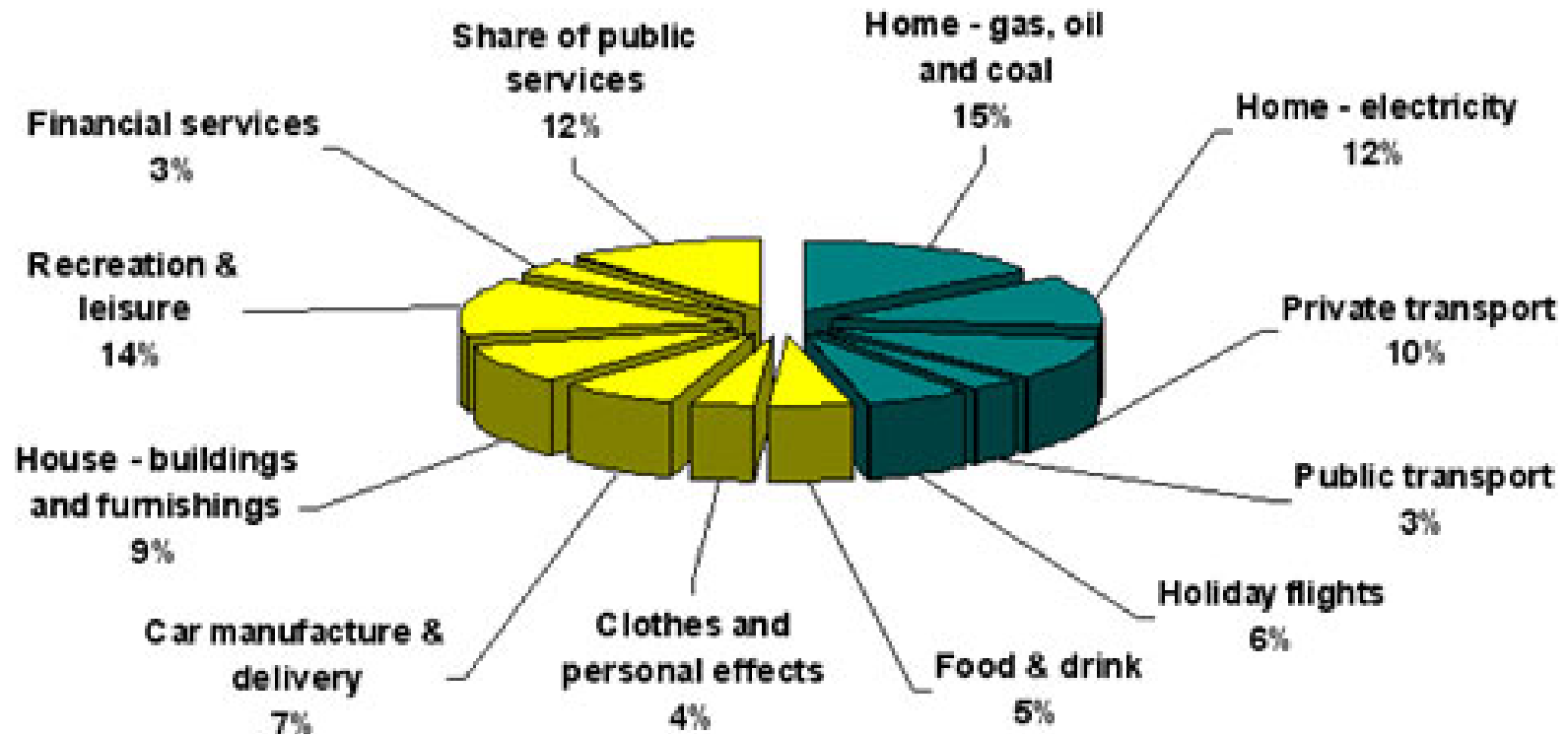


Climate Analysis Indicators Tool: <http://cait.wri.org>

# Carbon footprint

- A carbon footprint is made up of the sum of two parts, the primary footprint (shown by the green slices of the pie chart) and the secondary footprint (shown as the yellow slices).
- 
- 1. The **primary footprint** is a measure of our direct emissions of CO<sub>2</sub> from the burning of fossil fuels including domestic energy consumption and transportation (e.g. car and plane).
- 
- 2. The **secondary footprint** is a measure of the indirect CO<sub>2</sub> emissions from the whole lifecycle of products we use - those associated with their manufacture and eventual breakdown.

# Finally – The Carbon foot print!!



Do Corporates actually  
Benefit/Profit from the  
environmental exercise?



# Measuring the impact of Corporate Environmental Governance



**EGS : Environmental Governance Standards**

Positive  
Correlation

- High EGS and strong Financial performance
- Low EGS and poor financial performance

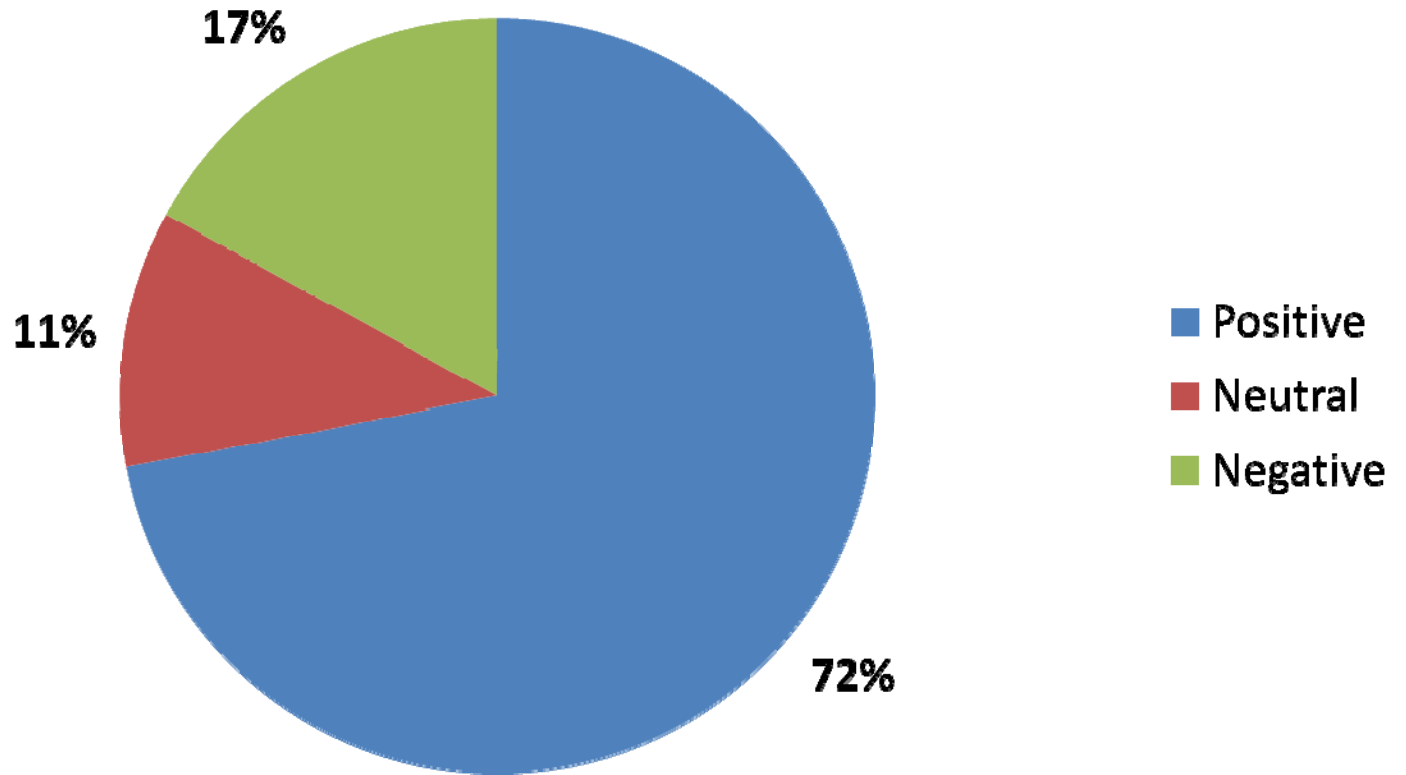
Neutral  
Correlation

- High EGS but no change in the Financial performance
- Low EGS but no change in the financial performance

Negative  
correlation

- High EGS but negative financial performance
- Low EGS and strong financial performance

## Company Studies



Source: Corporate Environmental Governance – A study into the influence of Environmental Governance and Financial Performance full report, Published by UK Environmental Agency.

The study Shows a positive correlation.. i.e Companies with Good Environmental Performance were also successful in Business

# Top 6 Green wave riders- International

1. British Petroleum (BP)
2. Shell
3. Toyota
4. Lafarge
5. Sony
6. UNILEVER

# Case study –How Toyota took advantage of the green Wave

In early 1990's when Toyota wanted to design the 21<sup>st</sup> Century car, it made the environment a major theme ahead of all the selling points (Size, Speed, Performance)



# Clean-energy & low emissions vehicle shipments (2005) from Japan- in vehicle units

Vehicles	Passenger Cars	Truck	Buses	Total
Fuel-cell	16	0	0	16
Hybrid	59756	1469	38	61263
Natural gas	36	2936	94	3066

Source: Japan Automobile Manufacturers Association

Prius was named *Motor Trend's* car of the year in 2004.



**Record profit in 2006 – 11.8 billion**

# Small Companies – Why should they care?

Reasons:

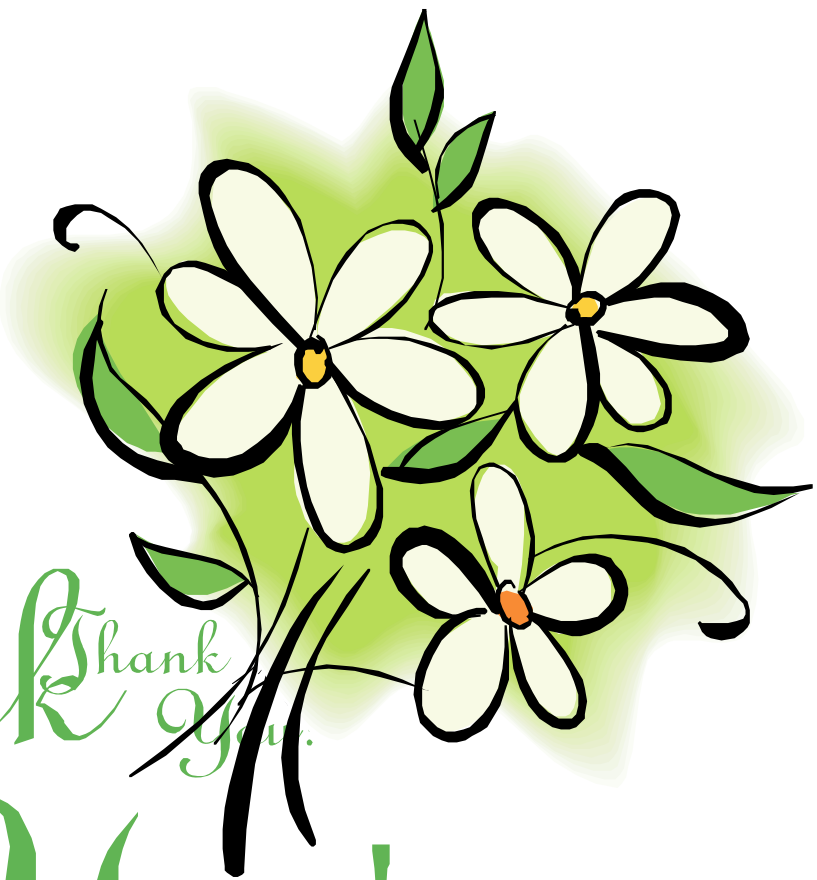
- a) Laws that applied to big businesses are encroaching onto smaller businesses.
- b) Pressure from large customers to comply with environmental standards. Eg: Japanese Telecom companies request Environmental audit report from small vendors.

# Who should care most

High Brand Exposure: Companies with Good will and intangible value (Coca Cola, Proctor and Gamble, etc)

Big Environmental Impact: Those in Extractive industry or heavy machinery (Alcoa, BP, Exxon, etc)

Natural Resource Dependence: Eg: paper industry.



Thank You!  
*Thank You.*