

IGNITING IMPACT, ACCELERATING SUSTAIN- ABILITY

A QUARTERLY VIEWPOINT ON THE
MOBILITY AND FRAGILITY OF ESG TODAY

WEL COME

September is a time of optimism for many, signalling a fresh start, particularly in the Northern Hemisphere with schools, workplaces, journalists and politicians all returning to some semblance of 'business as usual'. Yet, there's an eerie sense of 'déjà vu' when it comes to the climate. With another summer of record temperatures, wildfires and degradation of critical 'tipping points', we find ourselves, once again, in the run up to COP (28 this time), waiting to see whether critical course corrections can be agreed upon to deliver on the goals of The Paris Agreement. We're also waiting to see whether a UN Treaty on Plastics will be ratified, while millions of tonnes continue to pour into the oceans and microplastics are showing up in every conceivable biome - including in our bodies. Meanwhile there's increasing resistance from citizens feeling the financial 'pinch' of clean air policies like ULEZ (UK) and ZFE-m (France).

And there's a familiar feeling of political division re-surfing, with a growing sense that the 'culture wars' will move beyond the 'woke' debate and set its sights on climate change. This is a truly terrifying prospect for millions of climate-concerned citizens around the world, especially those who are already seeing their health and safety impacted.

So, what can we as communicators do? For businesses, it's never been more important to stick to, or better yet, accelerate action to reach net-zero commitments, without getting distracted by 'false flags'. There will be a lot of noise in the months ahead telling us not to try at all. False promises and performative pledges simply 'feed the fire'. Now's the time to double down on your sustainability strategy and focus on delivery. But don't forget that words matter too. Communicating with conviction and clarity is essential when confusion and distraction are rife. These are not easy times but hold steady. Future generations will thank you for it.

Your Porter Novelli Team

CONTENTS

➤ INTRODUCTION

Key observations

➤ THE BIG CONVERSATIONS

Climate fatigue v. climate reality – is inertia the new ‘tipping point’?

Why do some see purpose as the ‘enemy’ of profit?

Is aesthetic obsession fuelling throwaway consumerism?

Where next for Diversity, Equity and Inclusion?

How can pharma tackle our ‘unwell’ waters?

➤ THINGS WE LOVE

Amazon deforestation in Brazil cut by 60%

Commuter power: Paris Metro generates energy from turnstiles

Sign language adapts to climate change

➤ LOOKING AHEAD

International Day of Peace

Anthropy23

COP28

INTENTION
WITHOUT ACTION
IS AN INSULT
TO THOSE WHO EXPECT
THE BEST
FROM YOU

ANDY ANDREWS

BIG CONVERSATIONS

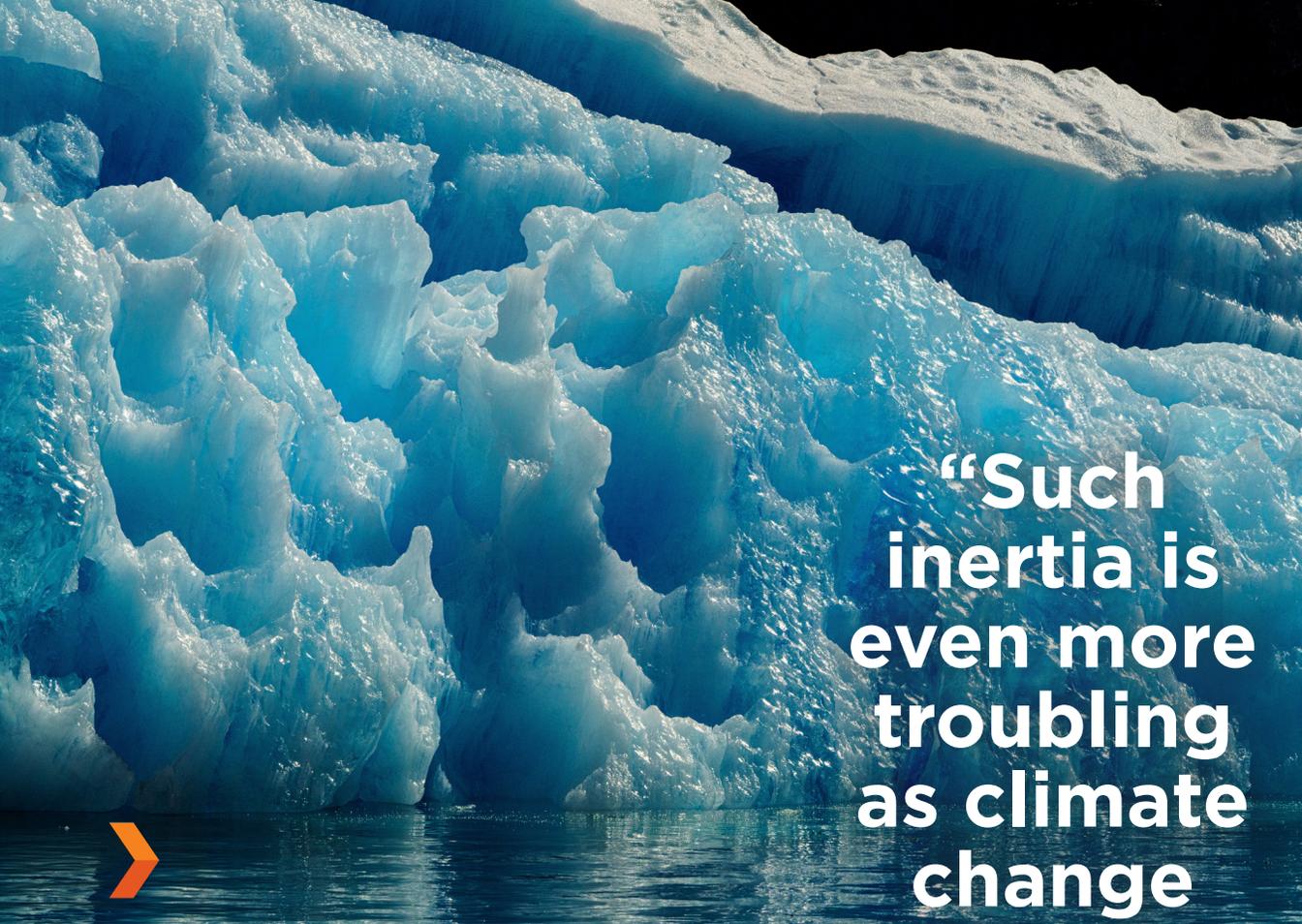
CLIMATE FATIGUE V. CLIMATE REALITY

is inertia the new
'tipping point'?

Summer 2023 has seen more grim evidence of 'tipping points' in action, with record-breaking temperatures on land and sea, melting permafrost from the Arctic to the Alps and new data suggesting gulfstream collapse could happen as early as 2025. There's been devastation across the world with wildfires in Canada, Maui, Greece, Portugal, Tunisia and Spain, and flooding in Japan, China, South Korea and Malaysia.

Yet despite the terrifying loss of life and livelihoods millions are facing, there seems to be a dearth of meaningful action and political will. A recent summit of Amazon nations was unable to agree on proposals to end deforestation, despite the efforts of President Lula who has made the issue a key priority since returning to office. Global plastic treaty "talks limp", as Politico describes them, with oil-rich countries seeking to block progress. COP 28 is being hosted in Dubai this year, with several environmental organisations staging a boycott given a lack of progress on previous COP goals and the choice to host the event in an oil-producing nation with Sultan Al-Jaber, head of Abu Dhabi's oil industry, as chairman.





“Such inertia is even more troubling as climate change becomes the latest focus of political culture wars.”

Such inertia is even more troubling as climate change becomes the latest focus of political culture wars. Cognitive psychologist Professor Stephan Lewandowsky recently stated: “The more we look at the issue of climate denial, the more we find it as being popular among the right wing and the libertarian. To take action will involve such things as government intervention, taxation and changing their way of life. Instead, they prefer to search for faults in the science”. Indeed, in tough financial times, additional taxes can be impossible for many voters to contemplate.



WHAT THIS MEANS FOR YOU:

The science is clear: the more we refuse to act and bury our heads in the sand, the worse things are going to get. But the science is falling on deaf ears as climate change increasingly becomes a political pawn in the ongoing culture wars. In order for climate action to succeed the tangible benefits (and inherent risks from not doing anything) need be clearly communicated. What’s the compelling argument beyond it simply being the right thing to do? What is the economic or business rationale? Consider how extreme weather events are impacting supply chains and access to labour, as well as the risks to company assets from flooding, fires, and civil unrest. These are all ways to quantify climate change into solid business imperatives. Making climate action locally and individually relevant should also be considered. And as the political climate becomes more divided, finding room for more nuanced debate is crucial. With something as complex as the climate crisis, there is never going to be one right or wrong answer. Forging partnerships and encouraging collaboration will be the most effective way to rise above the doubt and the ‘greenlash’ rhetoric.

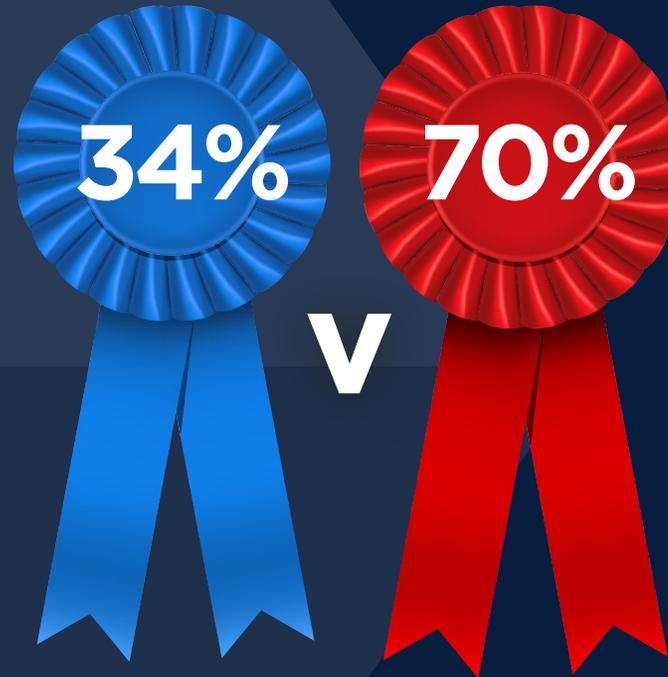
RESISTANCE

is in the air...

The proportion of Britons in strong opposition to schemes like ULEZ which charge higher-pollution cars when driving into cities. This rises from 42% within London to 58% in the rest of the South of England.



In times of economic hardship, citizens are pushing back against costly air quality interventions



The proportion of Conservative and Labour voters in the UK who feel the UK Government is doing too little to address air quality - a whopping 36% variance. Commentators are suggesting Britain's next election could become a "climate change culture war."



The proportion of French people opposed to the ZFE-m scheme (Low Emission Mobility Zones) for designated urban areas.

Source: YouGov, Wildlife and Countryside Survey (June 2023) & political polling (July 2023); Getmeacar Online

“(THE) COSTS OF CLIMATE
DAMAGES ARE LIKELY TO BE LARGER THAN
THE COSTS OF ACHIEVING NET ZERO...
MANAGING THE IMPACT OF PHYSICAL
CLIMATE RISKS
IS BECOMING AN IMPORTANT PART
OF INVESTORS’ FIDUCIARY DUTIES
TO PROTECT THEIR CLIENTS’ AND
BENEFICIARIES’ ASSETS.”

A warning from IGCC (a coalition of institutional investors) to the Australian Government, ahead of the recent Climate Change and Investment Summit. An IGCC report found that while 70% of members have set net zero targets for 2050, less than a quarter have assessed physical risk and only 9% have taken action.

Why do some see purpose as the 'ENEMY' OF PROFIT?



In the UK, as in the USA, the interplay between profit and purpose has come under intense scrutiny, following high profile backlash against Coultts for their decision to 'de-bank' former UKIP leader, Nigel Farage, as well as outcry at coffee-giant, Costa, for commissioning a mural featuring a transgender person with mastectomy scars. Both companies said they were acting in accordance with their stated purpose and values, particularly with relation to Diversity & Inclusion. However, critics argue that companies should "stay out of politics" and focus on their fiduciary responsibility to shareholders. Others

have questioned the appropriateness of spending resources on environmental sustainability and social impact when sales and share price are declining, as if these are 'optional extras' that can be turned off when financial conditions change.

Critics argue that companies should "stay out of politics" and focus on their fiduciary responsibility to shareholders ➤

A level of strategic rigour is required to make the business benefits of purpose irresistible



However, prominent voices from the financial sector, such as BlackRock, maintain that purpose and profitability should be viewed as complementary. They argue that having clear procedures and governance in place to ensure sustainable and ethical practices is the very definition of corporate responsibility and helps ensure a company's ability to operate in the longer term.

Building on this in her book Purposeful Brands, Sandy Skees, Porter Novelli's Global Purpose & Impact lead, makes the distinction between having an inspiring purpose statement (which is where some companies start and stop), and having a clear and robust sustainability strategy that considers the shared resources, or "commons", a company will need and must protect to be viable in the future. This level of strategic rigour is required to make the business benefits of purpose irresistible.

PURPOSEFUL BRANDS

How purpose and sustainability drive brand value and positive change

SANDY SKEES



WHAT THIS MEANS FOR YOU:

It's easy to be thrown off course by media maelstroms and extreme reactions. Much of the backlash against purpose, as seen in the examples we've included here, has been designed to distract or sow seeds of doubt. Much of it is noise – or what we'd refer to as false flags. The evidence is clear: purpose and profit go hand in hand and the former can even fuel the latter. But as the divisive discourse grows, and scrutiny goes further and deeper, it's no longer enough to pin everything to an engaging purpose statement or a core set of principles – you need to be able 'to show the workings' behind it i.e, how governance, policies and processes have been followed and, critically, how the overarching purpose touches all facets of organisational culture, business strategy and values.

Purpose is bigger than a brand's self-interest (but) is an expression of the authentic and distinctive strengths it will bring to the planet or society.... True purpose looks beyond the company, beyond the industry and looks at the whole. At the commons. I use the term 'commons' to describe what every company, every individual has a responsibility to protect and nurture. The commons are all the resources we depend upon but none of us own. The commons is an expression of the collective that works for all of us.

Sandy Skees, Purposeful Brands

IS AESTHETIC OBSESSION

fuelling throwaway consumerism?

As hard times drive consumers to chase happiness and indulge in little luxuries that make us feel good, are minimalist aesthetics like “quiet luxury” and “cleancore” actually encouraging us to buy more plastic “stuff” in the name of organisation?



Such trends tempt viewers into idealised lifestyles, often through calming, ASMR content tied to specific products, with entrepreneurial creators making money through affiliate links. They convince us that by sorting our pantries, fridges and freezers into colour-coded, printed-labelled, identi-kit storage havens, that balance and positivity will be restored. Indeed, the #fridgeorganization tag on TikTok recently surpassed 2.8 billion views.

In some iterations, influencers proudly decant their groceries from one plastic container into a more aesthetically-pleasing one - out of sight, out of mind! This surprising new 'status symbol' has been parodied by TikToker @shabazsays, who mocks: “not only do we have enough money, time, and a giant freezer to make flavored ice, we now have enough space in our giant freezer to make Christmas flavored ice. Why? Cause we're not poor like you.”



They convince us that by sorting our pantries, fridges and freezers into colour-coded, printed-labelled, identi-kit storage havens, that balance and positivity will be restored



Influencers proudly decant their groceries from one plastic container into a more aesthetically-pleasing one – out of sight, out of mind!



And it's not just minimalist aesthetics that are causing waste, but "maximalist" ones too. Retailers around the world are struggling to shift "Barbiecore" merchandise, with Bloomberg reporting that only 9% of Barbie-inspired clothing lines are going out-of-stock at full price, below the industry average of 13%.

WHAT THIS MEANS FOR YOU:

Tapping into the fascinating carousel of trending aesthetics is inevitably appealing for brands, especially when they're popular among social creators and media outlets alike, and when there is always a new iteration to take part in. However, brands should always reflect on whether the lifestyle they're piggybacking off is sustainable, or just encouraging people to buy more stuff they'll get bored of once the trends change again. Ad Net Zero's 5-point Action Plan is an interesting starting point. Action 5 in particular is focused on harnessing advertising's power to support behaviour change with initiatives like #ChangetheBrief designed to provide advertisers and marketers with more sustainable solutions to their campaign briefs.



Social media trends promote lifestyles through aesthetics like 'clean girl' 'cleancore' or 'barbiecore', enticing viewers

WILL THE UN GLOBAL PLASTICS TREATY be ratified in time?



Tonnes of plastic produced per year, with 14m tonnes escaping into the ocean



Of all plastic waste mismanaged at the end of its life - with an estimated 68.5 million tonnes polluting the environment this year alone



Projected increase in plastic production if current patterns remain unabated

Sources: Earth Action's Plastics Shootover Day Report; Statista Global production of Plastics; IUCN Marine Plastics Issue Briefing; Economist Impact's Back to Blue project with the Nippon Foundation.

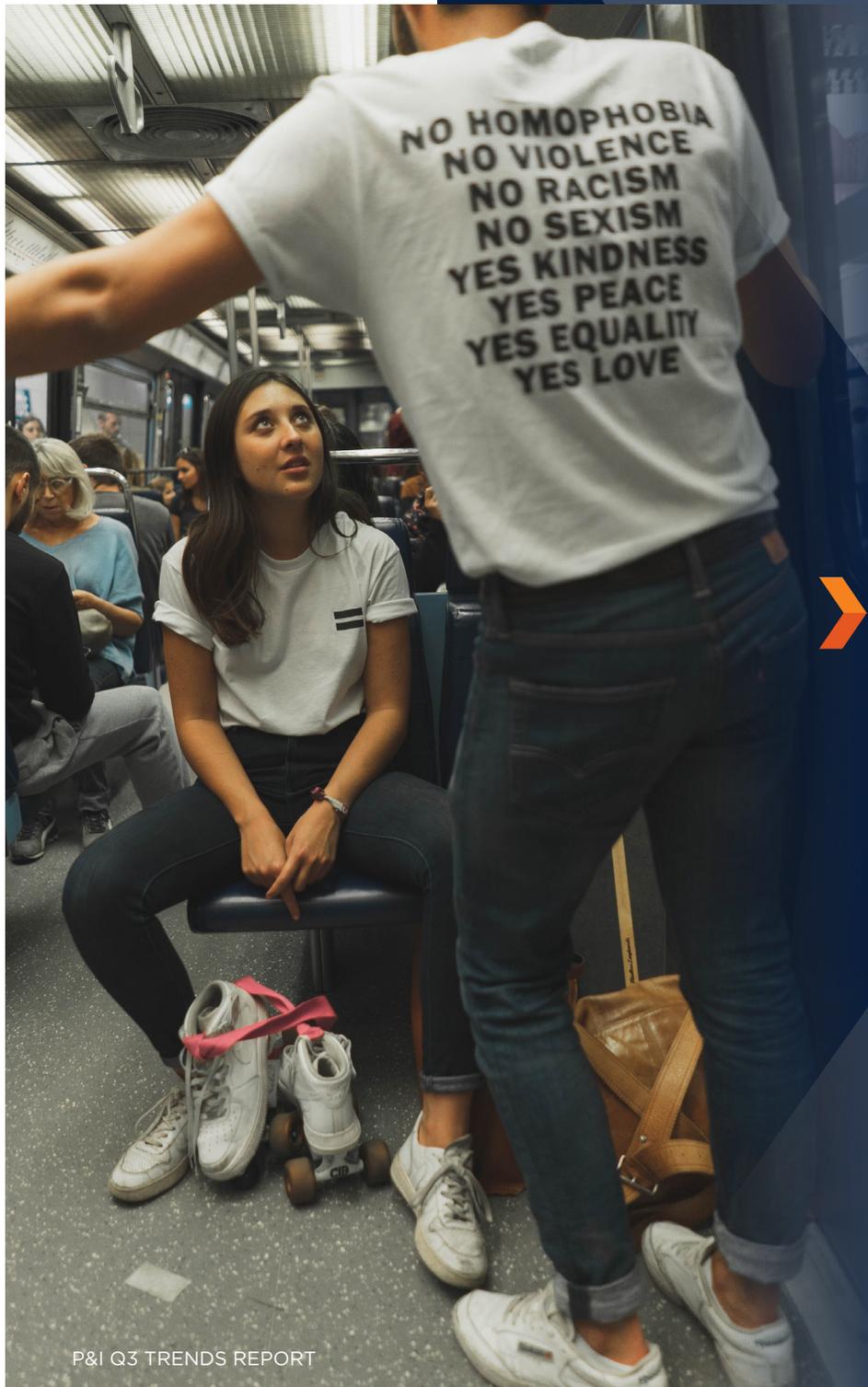
Where next for **DIVERSITY, EQUITY AND INCLUSION?**

Many questions have been raised over the last quarter about what's next for workplace diversity. Recent reports have surfaced of 'corporate America slashing DE&I workers'; conservative elected officials such as Florida Gov. Ron DeSantis have been cracking down on DE&I initiatives; and the US Supreme Court ruled in June against affirmative action policies in college and university admissions, declaring them to be unconstitutional.

With the so-called 'war on woke' continuing, DE&I consultant Lil Zheng describes how "companies that were not particularly committed to actually achieving diversity, equity and inclusion are using this convenient political situation, (plus) fears of a recession, to quietly make their exit". For those committed to improving DE&I outcomes, despite the ongoing political firestorm, experts suggest this a pivotal moment to regroup and refine their strategies.

For instance, emphasizing the business case for DE&I has been seen as somewhat 'retrograde' in recent years. However, Janet Stovall, head of DE&I at NeuroLeadership Institute, told NPR just recently: "we cannot place the reasoning for it on something as subjective as the right thing to do. It has to be the smart thing to do... If you can tie DEI directly to one of these goals - make money, save money, achieve a vision - it gets a little bit harder for even those who want to destroy it to argue that they should."





Positioning DE&I as a 'win-win' driving long-term business growth and increasing opportunities for all can also tackle resistance, a recent HBR highlights



Positioning DE&I as a 'win-win' driving long-term business growth and increasing opportunities for all can also tackle resistance, a recent HBR report highlights. Eric Shuman, Eric Knowles and Amit Goldenberg recommend that practitioners make efforts to understand the 'why' of resistance and then deploy targeted strategies to overcome it. For example, majority-group members may feel DE&I initiatives are 'zero sum' (i.e., somebody loses for somebody to gain), that their merits and accomplishments are under threat, or their identities are being treated as inherently 'problematic'. Consider, for instance, recent claims from Disney whistleblowers that conservative employees or those voicing concerns about the company's DE&I policies have been sidelined.



WHAT THIS MEANS FOR YOU:

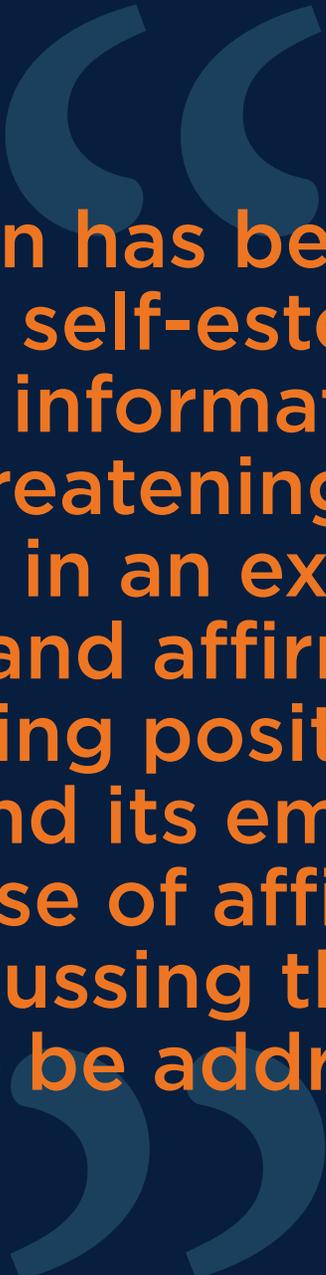
Negative responses to DE&I initiatives are nothing new. Resistance occurs when majority-groups perceive a psychological threat to their identities. If you experience this within your organisation, instead of either opting-out or shouting back, seek to understand the underlying causes of the resistance. With understanding and insights, you can shift the framing of initiatives and deploy strategies that bring colleagues along on the journey.

I AM ALARMED

**ABOUT A WIDENING TREND TO AVOID WORDS LIKE
DIVERSITY, EQUITY AND INCLUSION
IN TODAY'S POLITICALLY CHARGED DISCOURSE.**

I WANT TO ASK
**THOSE LEADING THESE ATTACKS,
WHY ARE YOU SO AFRAID?**

Maurice D. Nelson, Chief diversity and inclusion officer at Sacred Heart University, Connecticut. Nelson argues referring to Diversity & Inclusion as a “tossed salad” versus a “melting pot” is one way he’s found to counteract “visceral reactions”, which to many “feel synonymous with giving up one’s own identity or perhaps worse, assuming someone else’s.”



Self-affirmation has been shown to bolster positive self-esteem, allowing people to accept information they might otherwise find threatening. Consider first engaging people in an exercise allowing them to reflect and affirm themselves, or (by) highlighting positives about the organization and its employees that provide this sense of affirmation. Only then move to discussing the problem that needs to be addressed.

Shuman, Knowles, and Goldenberg, academics from Harvard Business School and NYU, offer their perspectives on how DE&I practitioners can better overcome resistance by understanding and mitigating perceived psychological threats.

How can pharma tackle our **‘UNWELL’ WATERS?**

There is mounting evidence that when pharmaceuticals are manufactured or used, residues of medicines can end up in the environment. The residues are most commonly emitted either in the water used in manufacturing or in household wastewater after consumption. As the EU population grows larger, gets older, and we see increasing demand for medicines in general, the issue is likely only going to get worse.

While pharmaceutical pollution occurs at every point in the product’s lifecycle, including use and disposal by patients, and requires a coordinated, multi-sector plan to tackle, the pharmaceutical industry is being called on to manage the problem from the very start, at manufacturing.



The European
Commission has
proposed a reform
to legislation
aimed at curbing
pharmaceutical
pollution.



On April 26, the European Commission (EC) proposed a reform of the current pharmaceutical legislation which clamps down on pollution, including a broader environmental risk assessment (ERA) which will now be required to gain marketing authorisation of a medicine, and the right to suspend or revoke authorisation should the drug pose serious risk to the environment or public health, and not be addressed by the manufacturer.



WHAT THIS MEANS FOR YOU

The EC is signalling tougher measures on pollution. Pharmaceutical companies in Europe: prepare for future legislative changes. Conduct an internal assessment of your current practices and procedures, including ERA processes and post-authorization environmental risk assessments, and ensure you can comply with the new EU law.

THINGS WE
LOVE

AMAZON DEFORESTATION IN BRAZIL IS CUT BY 60%

proving what
is possible with
concerted
action

Home to 10% of known species and 47 million people, including indigenous peoples, the Amazon is in dire need of protection after years of destruction and deforestation. Brazilian President Luiz Inácio Lula da Silva put this at the top of his agenda after he was elected last year.

And while it has been an uphill battle, recent data shows that his measures appear to be working. Environment Minister, Marina Silva, revealed that deforestation fell by at least 60% in July, compared to the same month last year.





This is thanks to the administration's firm commitment and concrete actions. On his first day in office, Lula issued multiple measures to protect both the Amazon and indigenous peoples. In June, he and Marina Silva unveiled a plan to eliminate deforestation by 2023. This included tough measures such as the increased use of satellite imagery to identify illegal logging, mining and ranching; the deployment of financial intelligence to track the flow of illegal money from the Amazon; and incentives for sustainable agriculture. But Brazil isn't the only home to the Amazon and collaborative efforts between nations are stalling. As we mention on page 6, a recent summit with leaders from the eight rainforest nations - Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, Suriname and Venezuela - pledged to protect the Amazon from reaching "a point of no return", although the exact goal and execution was not settled on.

COMMUTER POWER:

Paris Metro generates energy from turnstiles

With its charming streets and incredible landmarks, it is not a surprise that more than 19 million tourists per year make Paris their holiday destination. And if the Louvre, the Tour Eiffel and Versailles aren't enough of a pull, the ingenious upgrade at the Miromesnil Metro Station might give us all one more reason to visit.

The city has in fact made a revolutionary step towards sustainability by turning its Metro turnstiles into mini turbines, transforming each commuter's movement into kinetic energy and then electricity.

This simple yet brilliant concept is showing how everyone's little daily actions can potentially have a huge cumulative impact, if harnessed in the right way. Scaling up the initiative to cover airports, train stations and other public buildings would mean enormous energy output, helping to generate greener and more sustainable power.



SIGN LANGUAGE

adapts to climate change

In an effort to make the science around climate change and biodiversity more accessible to deaf people, scientists and British Sign Language users have created new signs for more than 200 environmental terms including greenhouse gases and carbon footprint.

While the first 200 signs are themed around biodiversity, ecosystems, pollution and the physical environment, there are a further 200 in development which will focus on energy, sustainability, and the impact of environmental change on humans.

Previously, talking about environmental issues meant having to spell out long, complex scientific terms, letter by letter. The hope is that now the deaf community will be able to more easily participate in conversations about the current threats to biodiversity and the environment.

While the climate crisis affects us all, there are countless examples of people and communities who are being excluded from the discussions and decisions that matter. When we all need to step up the plate, this on the other hand, is a wonderful example of how we can make critically-important topics more inclusive and accessible.



New signs in British Sign Language include:

Carbon footprint: Left hand as a C shape with right hand fingers moving away from the left hand to resemble carbon being released to the environment.

Greenhouse gases: Both hands in circular shapes move around to represent gases, then put the left hand at the horizontal position and move the right hand, with the index finger pointing, down and back up to the left hand to show the sunlight reflecting on the Earth's surface.

LOOKING

AHEAD



UPCOMING EVENTS

to have on
your radar



International Day of Peace

21st September

The UN General Assembly has declared this as a day devoted to strengthening the ideals of peace, through observing 24 hours of non-violence and cease-fire. This year's theme is Actions for Peace: Our Ambition for the #GlobalGoals. It is a call to action that recognises our individual and collective responsibility to foster peace, contributing to the realisation of the Sustainable Development Goals.



Anthropy23

**1st – 3rd November,
The Eden Project (UK)**

Billed as 'The Glastonbury of Good', and now in its second year, Anthropy23 will bring together emerging and established leaders for a dynamic mix of engaging sessions, thought-provoking conversations, and collaborative action around important topics such as female leadership, the future of Britain, global health, educational needs, and equity of opportunity.



COP28

**30th November – 12th December
2023, Dubai (UAE)**

The 2023 United Nations Climate Change Conference, more commonly referred to as COP28, is set to be a milestone moment when the world will take stock of its progress on the Paris Agreement. This year's event, which is controversially being held in Dubai, is set to focus on four paradigm shifts: the energy transition and slashing emissions before 2030; transforming climate finance, by delivering on old promises and setting the framework for a new deal on finance; putting nature, people, lives, and livelihoods at the heart of climate action; and mobilizing for the 'most inclusive COP ever'. Climate leaders and campaigners have voiced a number of concerns over the event, with many calling the UAE's decision to appoint an oil company CEO as its president a "blatant conflict of interest."

> COP28, which is controversially being held in Dubai, is set to focus on four paradigm shifts

PORTER NOVELLI

A graphic element consisting of two overlapping chevrons pointing to the right. The top chevron is orange and the bottom chevron is a darker shade of orange.

REACH OUT TO OUR TEAM:

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