

**HFS WINTER SUMMIT**

**THE GREAT ENTERPRISE  
REGENERATION**

**Is AI Amplifying... or Addressing  
the Climate and Sustainability  
Emergency?**

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Practice Leader, Sustainability, HFS Research

AP FACT CHECK

# Climate change doesn't cause hurricanes.

SCIENCE

WEATHER ICE IPCC OCEANS PEOPLE TEMPERATURE

STORMS | 27 June 2022 16:43

## Tropical cyclones now '13% less frequent' due to climate change



CLIMATE EXPLAINED

# How climate change is making hurricanes more dangerous

*Stronger wind speeds, more rain, and worsened storm surge add up to more potential destruction.*

The New York Times

## *Climate Change Is Making Hurricanes Stronger, Researchers Find*

An analysis of satellite imagery from the past four decades suggests that global warming has increased the chances of storms reaching Category 3 or higher.

## How climate change makes hurricanes more destructive

The Economist explains

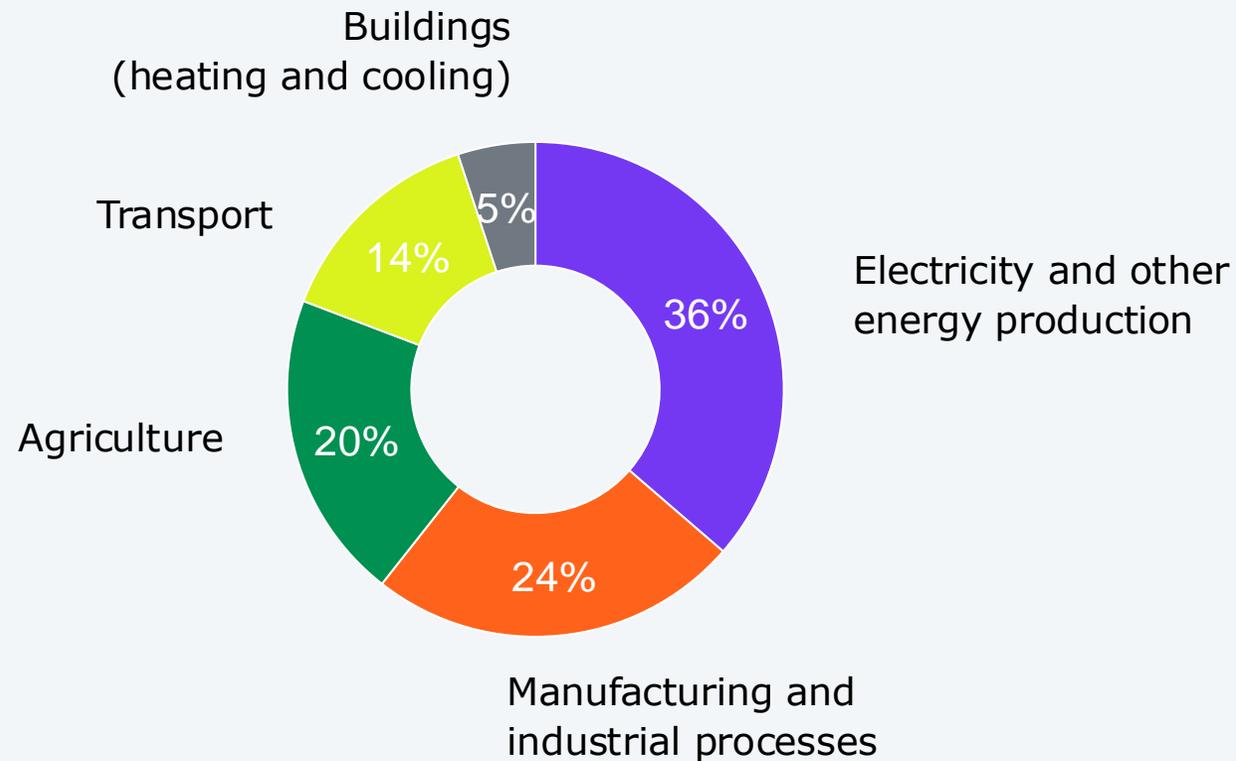
# Is climate change making hurricanes worse?

They are becoming more damaging, but not more frequent



# Breaking down global emissions by sector outlines the path to decarbonization

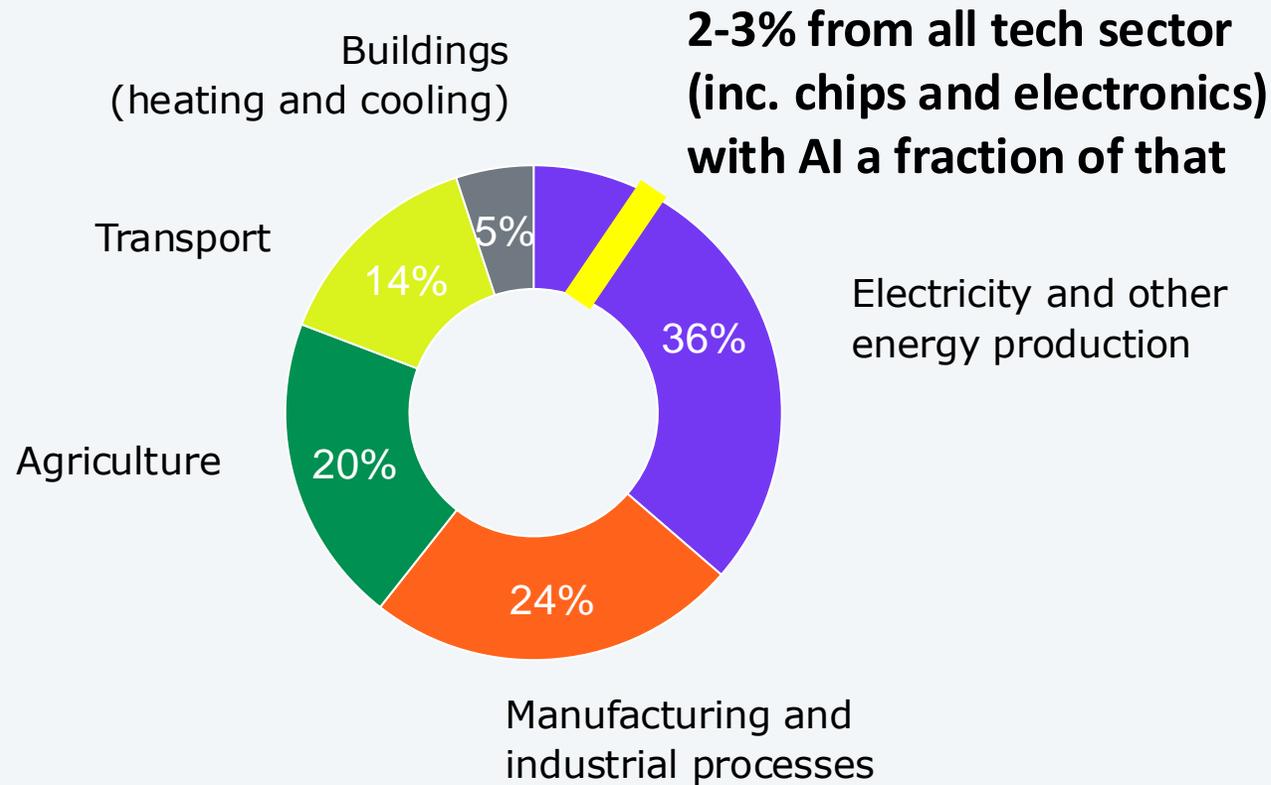
## Global emissions breakdown by sector (CO<sub>2</sub> equivalent)



Source: [World Emissions Clock \(World Data Lab\)](#), 2024

# Breaking down global emissions by sector outlines the path to decarbonization

## Global emissions breakdown by sector (CO<sub>2</sub> equivalent)



Source: [World Emissions Clock \(World Data Lab\)](#), and [World Economic Forum](#), 2024

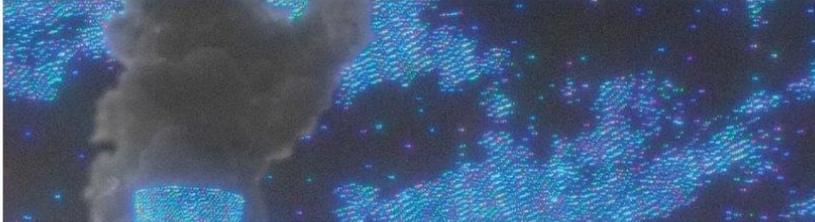


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Reports predict that AI has the potential to help **mitigate 5-10% of global GHG emissions** by 2030. So what needs to happen to strike the right balance?

# Big tech is bringing nuclear power back to life

Artificial intelligence needs clean and reliable energy sources



COMPANIES / ENERGY TRANSITION

## Amazon Joins Tech Giant Peers in Move to Nuclear to Tackle AI Carbon Footprint

# Microsoft chooses infamous nuclear site for AI power



COMPANIES / ENERGY TRANSITION

## Google Signs First Nuclear Energy Deal to Address Growing AI Carbon Footprint



COMPANIES / ENERGY TRANSITION / PRIVATE EQUITY & VENTURE CAPITAL

## Amazon Leads \$500 Million Capital Raise for SMR Nuclear Technology Company X-Energy

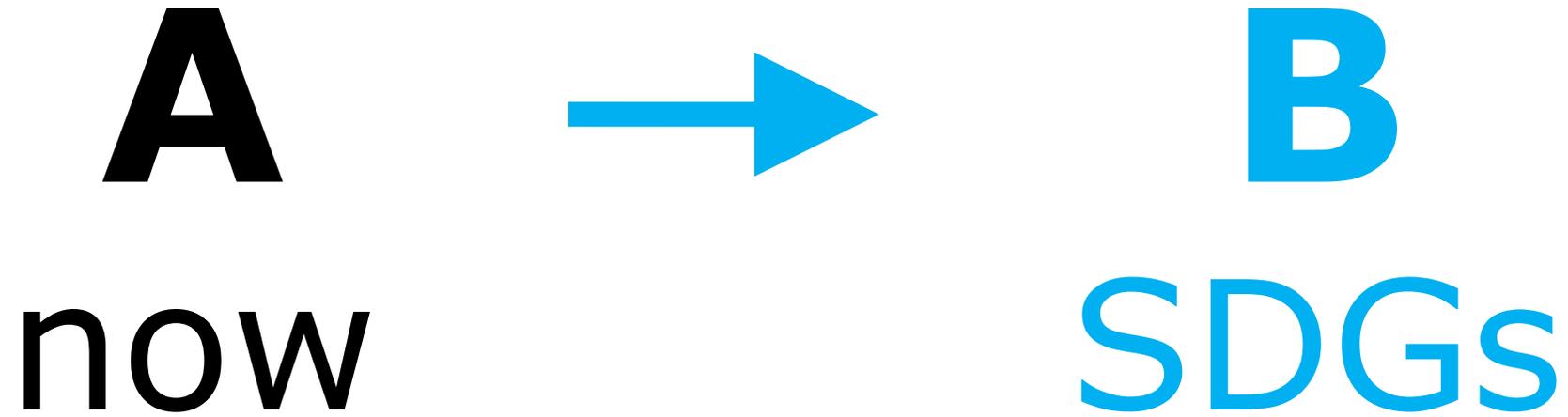


# Transition plans

# Transition plans

**A**  
**now**

# Transition plans



# The SDGs connect environmental, social, and economic challenges facing the planet and society

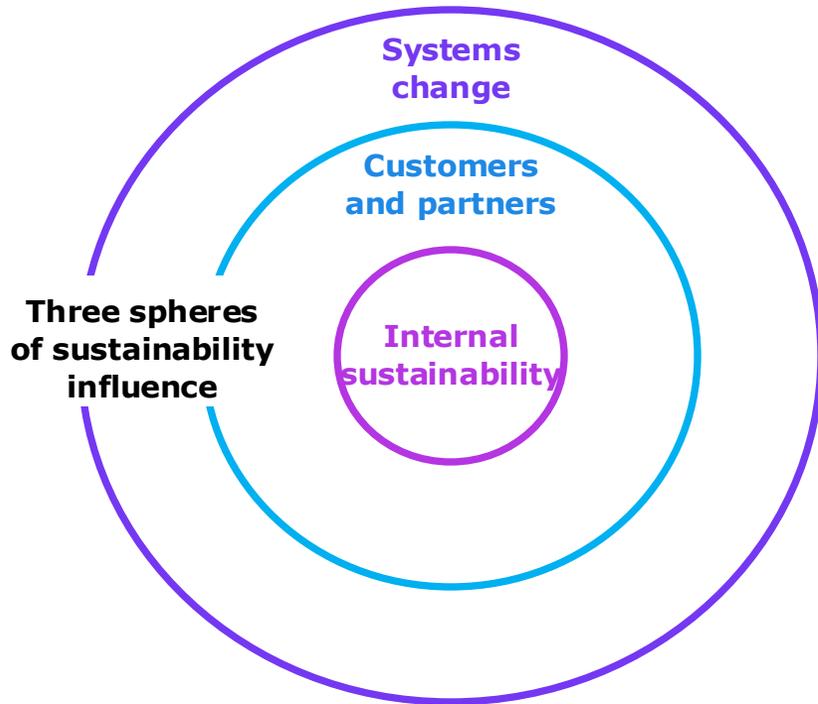


Source: [United Nations](#)

# Break down the global sustainability context and align your organization

The global sustainability context									
17 UN Sustainable Development Goals									
ESG Factors									
<b>Decarbonization</b>		<b>Environmental</b>			<b>Social</b>			<b>Governance</b>	
<ul style="list-style-type: none"> <li>• Goal setting</li> <li>• Footprint measurement</li> <li>• Benchmarking</li> <li>• Ongoing measuring and monitoring</li> <li>• Visualization</li> <li>• Reporting</li> <li>• Decision-making</li> <li>• Road mapping and delivering on emissions reductions</li> </ul>		<ul style="list-style-type: none"> <li>• Biodiversity on land</li> <li>• Biodiversity in water</li> <li>• Water usage and sanitation</li> <li>• Affordable and clean energy</li> <li>• Other resource availability</li> <li>• Waste reduction</li> <li>• Circular economy</li> <li>• Responsible production and consumption</li> <li>• Spills and leaks</li> </ul>			<ul style="list-style-type: none"> <li>• Diversity, equality, and inclusion</li> <li>• Education</li> <li>• Human rights</li> <li>• No poverty and zero hunger</li> <li>• Quality work and economic growth</li> <li>• Labor practices and zero modern slavery</li> <li>• Corporate outreach and CSR</li> <li>• Talent development</li> <li>• Impact on communities</li> <li>• Health and safety</li> </ul>			<ul style="list-style-type: none"> <li>• Risk</li> <li>• Resilience</li> <li>• Supply chains</li> <li>• Cybersecurity</li> <li>• Physical security</li> <li>• Corporate management</li> <li>• Disclosure</li> <li>• Financial performance</li> <li>• Partnerships</li> <li>• Peace, justice, and institutions</li> </ul>	
<b>Geopolitics</b>									
Conflict   Economics   Politics   Health   Cybersecurity   Aging Populations   Development   Poverty   Security   Migration   Safety   Justice   Technology   Culture									
<b>Industry Dynamics</b>									
Financial services and insurance	Energy and utilities	Retail and CPG	Manufacturing and chemicals	Infrastructure and construction	Travel, hospitality, and logistics	Healthcare	Life sciences, ind. pharma	Agriculture	Telecom, media, and technology
<b>Organizational-level Roadmap and Business Model</b>									
CEO / board		Sustainability leader			Customers		Investors and shareholders		Ecosystem and supply chain partners
<i>Organizational functions and domain-level roadmaps</i>									
Finance	Operations	Procurement	Supply Chain	IT	Cybersecurity	HR	R&D	Sales	Marketing
<i>Digital and physical technologies and business processes</i>									

# Focus on material spheres of influence to maximize your impact on sustainability



## Systems change

- Organizations and coalitions with the greatest influence must be first movers to show sustainability works on all environmental, social, and economic fronts.
- This leadership enables organizations to contribute to the critical mass that creates the positive tipping points and systemic change sustainability needs.
- Such a systemic change will bring policy, consumer behavior, and businesses into alignment with the global sustainability context.

## Customers and partners

- Organizations must align their customer and partner engagements to the global context.
- For most industries, value chain sustainability spheres of influence overwhelm organizations' internal impact.
- Organizations can increase their positive impact by embedding sustainability across all ecosystem contact points.

## Internal sustainability

- Organizations must address their own sustainability by aligning their actions and plans to the global sustainability context.
- For many organizations, internal impact is relatively small versus the spheres above, but it still must be addressed for leadership and regulatory purposes.
- The global context starts with the 17 UN Sustainable Development Goals (SDGs). Each goal is underpinned by roadmaps covering the environmental, social, and governance (ESG) factors of sustainability.

Source: HFS Research, 2024

# If firms collaborate with their clients and partners to form a critical mass, they can be architects of the positive tipping points sustainability needs

## The diverging sustainability spectrum for systems change



Where systemic change does not seem possible through innovation and advocacy, businesses can embed sustainability into their strategies and processes. In doing so, they can create a positive impact regardless of clients' and regulators' demands.



The coming together of people and organizations to prove sustainability works in all its environmental, social, and economic intersections—pulling policymaking, consumer behavior, and business into alignment with the trajectories of the SDGs.

Source: HFS Research, 2024

**Despite everything,  
there's still time to lead  
on sustainability while  
it's an option**

**HFS**

**Thank you.**

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REGENERATION**



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