



Growing Trust: Stepping up to deliver a new food, health & sustainability agenda

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David McInnes
DMci Strategies

Disclosures

- Chair, WaterAid Canada, part of an international federation dedicated to improve access to clean water, sanitation & hygiene in the developing world (2018)
- Consultant, University of Guelph, microbiome project (2017)
- Innovator, Natural Capital Lab, Canada (2017)

Three questions

Should **nutritionists** really be concerned about soil?

Should **farmers** really be concerned about consumer diets?

Should **bankers** really be concerned about farm worker welfare?

The **links** between “sustainability”, “health” & “ethics” play a key role in **scaling-up** the response to global nutrition challenges

Chaotic convergence



Poverty



Nutrition crises
(obesity/malnutrition)



Anti-microbial resistance



Climate change



Biodiversity loss



Freshwater stress

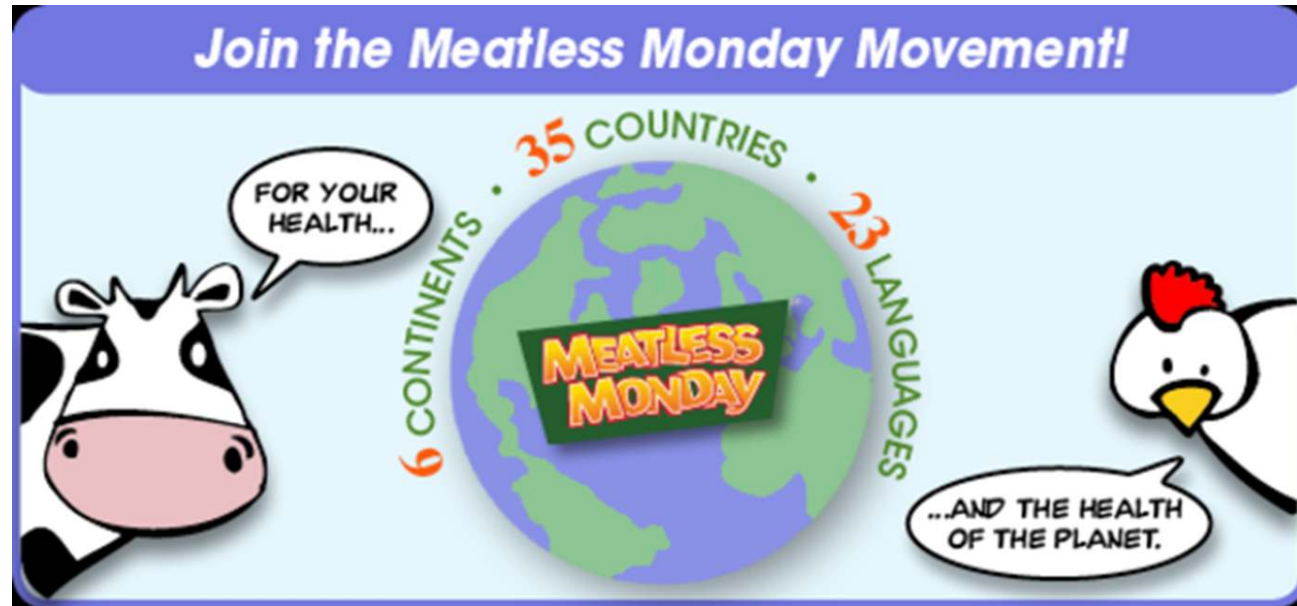
Three shifts

1. The need for systems-thinking
2. New metrics & benchmarks
3. Redefining value

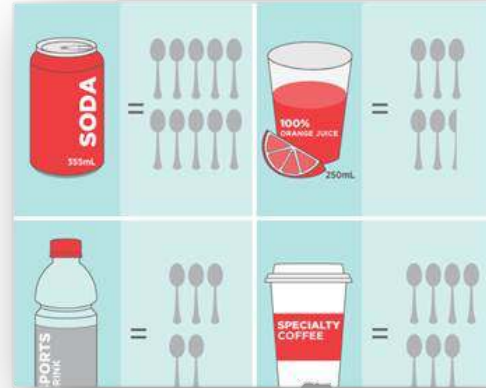
Changing how we **collaborate, regulate, innovate & compete**

Grappling with systems thinking

Perceptions are changing



Linking issues: sugar production



Consumption trade-offs

Child labour

Biodiversity loss

Linking issues: avocado production



Nutritional benefits

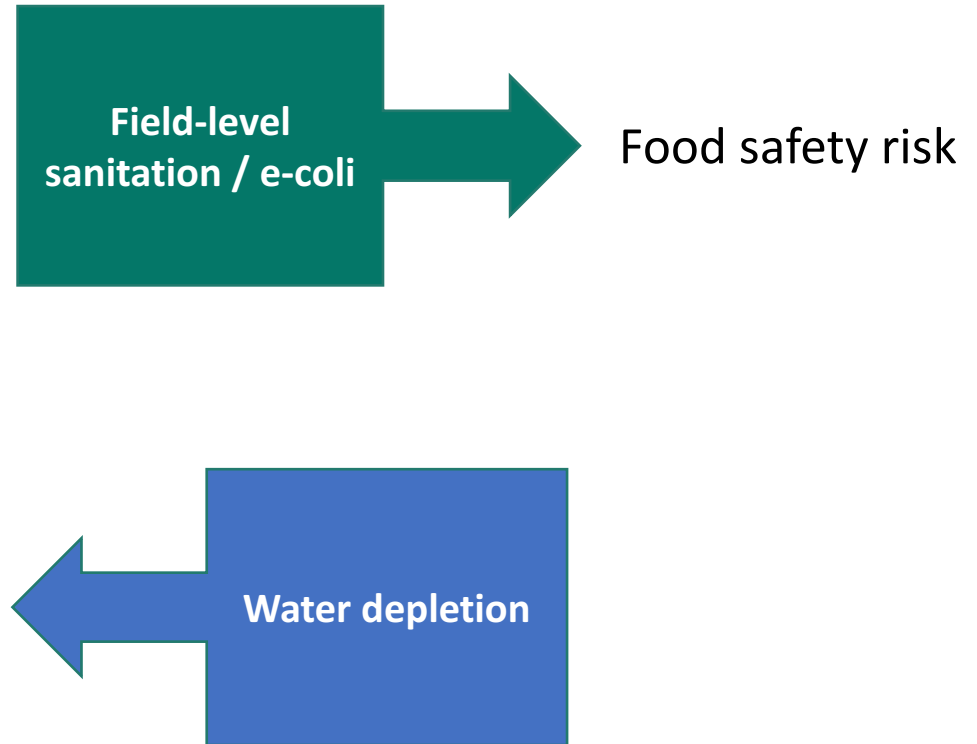


Economic driver

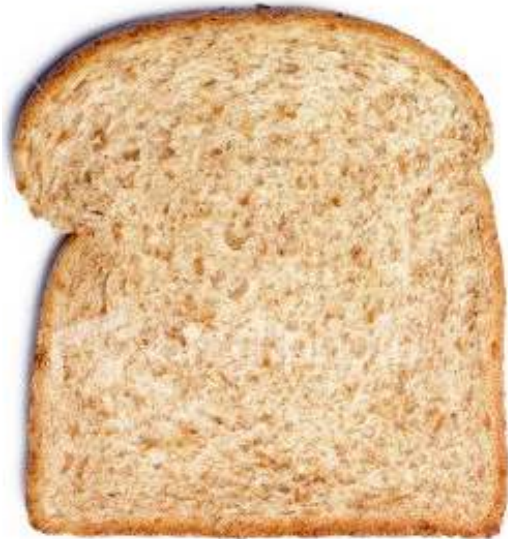


Water stress

Off-shoring risk



Creating new value

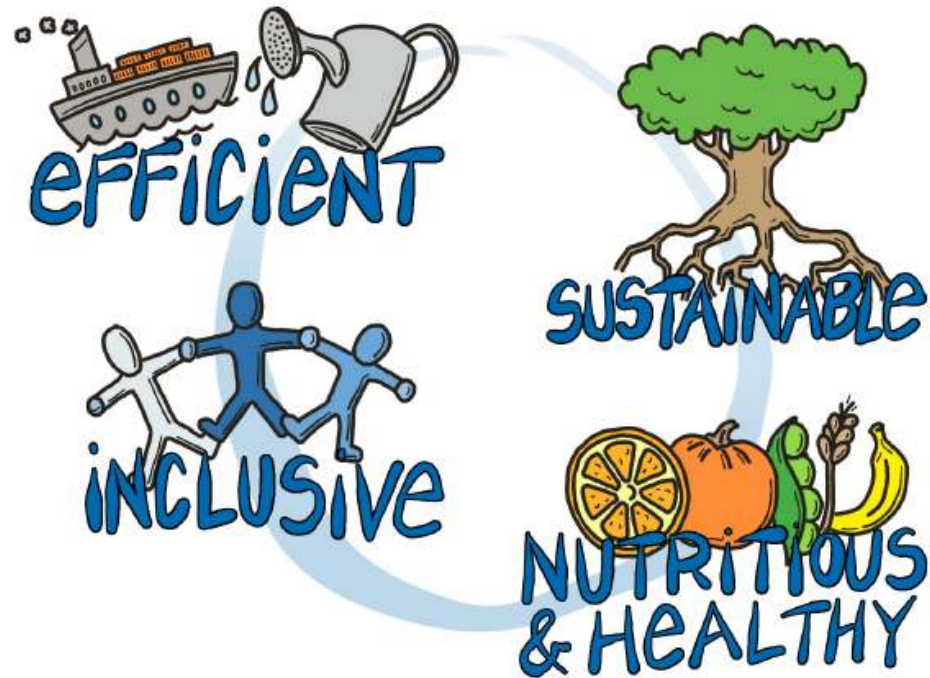


Adding pea flour & wheat =

- ✓ 125% increase in **fiber**
- ✓ 14% increase in **protein**
- ✓ 23% lower **carbon footprint**

Rethinking the food system

Four Core Aspirations for the World's Food Systems

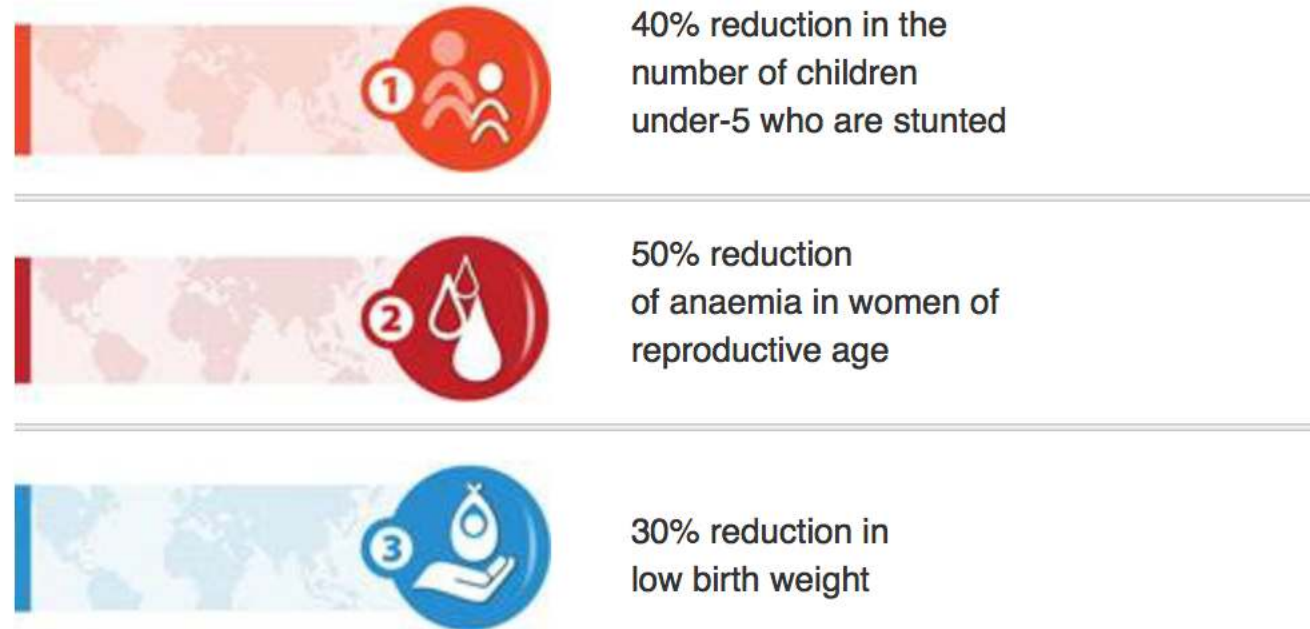


The global plan: 17 Sustainable Development Goals – 2030



Wave of new metrics & benchmarks

WHO Global Nutrition Targets – 2025



Three of six WHO targets shown

TARGETS: It's a new world of commitments

Anti-biotic-free chicken



Remove plastic microbeads from non-food products



Reduce added sugar by 5% for its drinks



2015

100% sustainable sourcing: 10 ingredients



GENERAL MILLS

100% sustainable raw ingredients



Unilever

Zero-net deforestation



THE CONSUMER GOODS FORUM
THE 360° RESPONSE TO SUSTAINABLE SUPPLY CHAINS



2020

100% certified sustainable cocoa



20% certified seafood



Reduce micronutrient deficiencies in 10 countries



WHO nutrition targets



Reduce premature NCD mortality by 25%



Reduce 24 MMT GHG emissions



2025

Eliminate food waste



Reduce environmental footprint by 50%



Zero incidents, child labour in supply chain



GHGs reductions



PARIS2015
COP21-CMP11

UN's 17 goals



2030

Improve food security: 20% per decade



2050

Scorecards

Sustainability



133 EU companies

Human rights



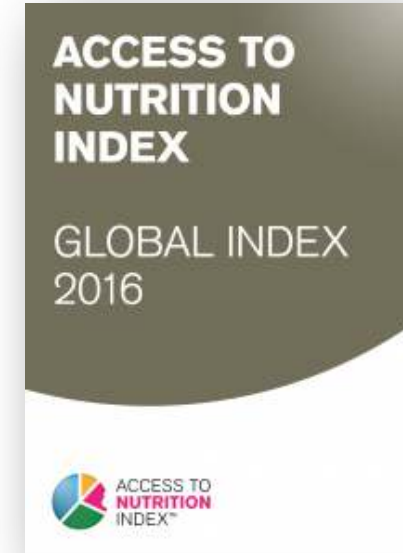
170 Canadian food companies

Animal welfare



99 agri-food companies

Health



22 food companies

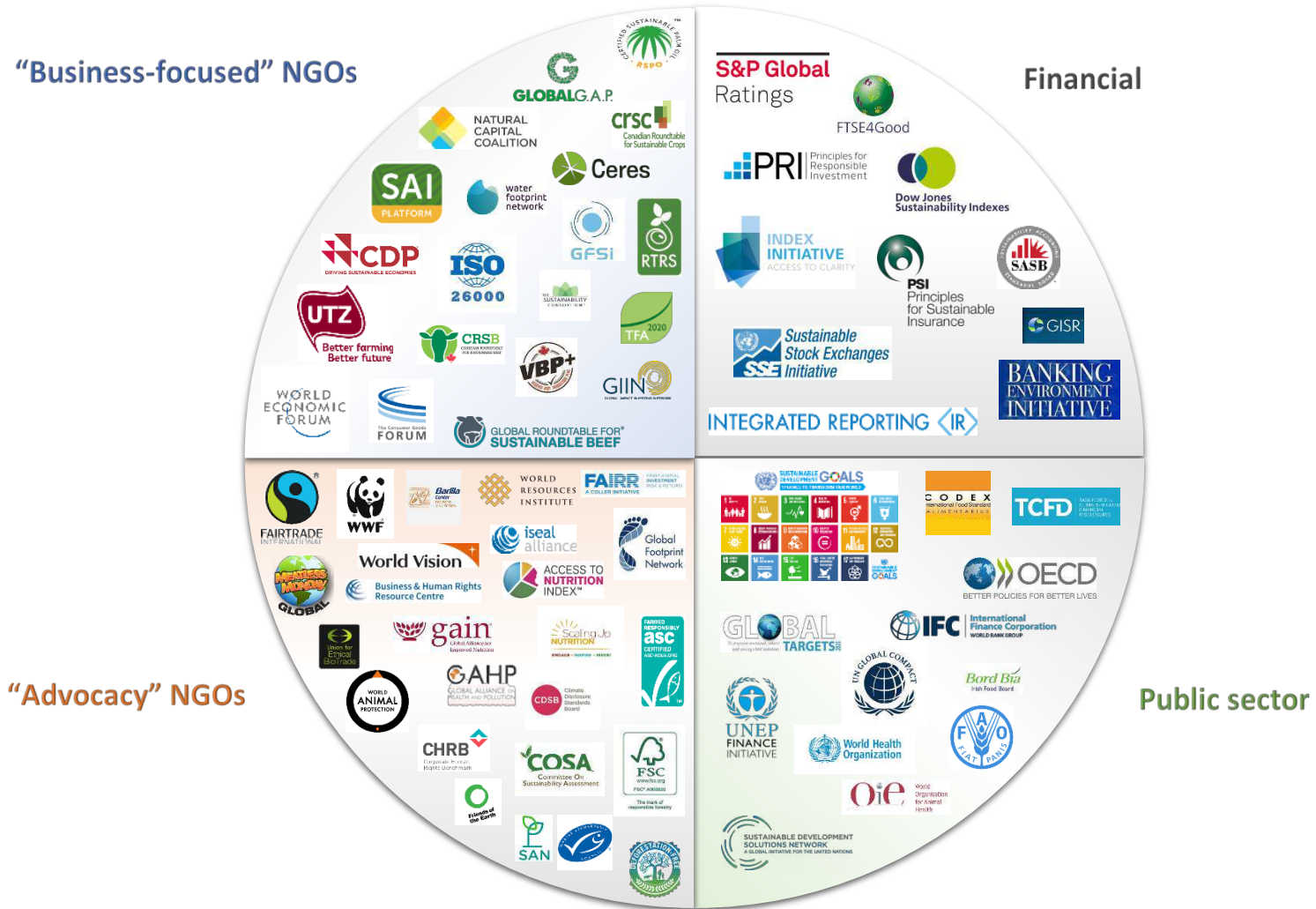


GLOBAL INDEX 2016

1	Unilever
2	Nestlé <small>BMS</small>
3	Danone <small>BMS</small>
4	Mondelez
5	Mars
6	Grupo Bimbo
6	PepsiCo
8	FrieslandCampina <small>BMS</small>
9	Ferrero
10	Kellogg Company
10	General Mills
12	Campbell



TRANSPARENCY RISING: Benchmarking environmental, social/health & governance progress
(Focus on agri-food)



Redefining “value”

Taking a longer view

...the catastrophic impacts of climate change **go beyond** the business & political cycle

- Mark Carney, Governor, Bank of England



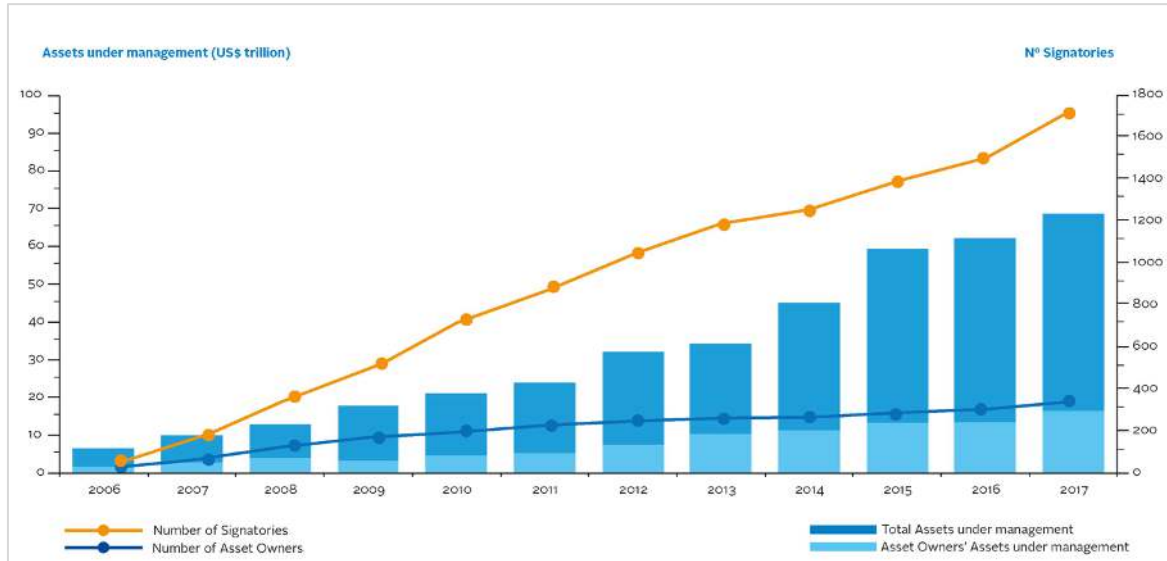
Rethinking “wealth” & “health”



NATURAL
CAPITAL
COALITION

- **Pricing / profits** insufficient to cover social & environmental impacts
- **By-products** of not pricing natural capital (eg, soil, water, biodiversity):
 - Diet-related chronic diseases
 - Resource depletion
 - Climate change

“Sustainable capital”



- 1,800 institutional investors (managing **\$70 trillion**) signed on to “Responsible Investing Principles”

...Yet, only **10%** of investment managers include climate change into asset allocation strategies

“ESG” criteria



ENVIRONMENTAL (E)

- climate change
- greenhouse gas (GHG) emissions
- resource depletion, including water
- waste and pollution
- deforestation



SOCIAL (S)

- working conditions, including slavery and child labour
- local communities, including indigenous communities
- conflict
- health and safety
- employee relations and diversity



GOVERNANCE (G)

- executive pay
- bribery and corruption
- political lobbying and donations
- board diversity and structure
- tax strategy

Can capital markets advance the global nutrition agenda?



These shareholder proposals ultimately relate to well-being but nutrition & diet-related chronic disease are not apparent or absent

What needs to be done

Research

The eco-system – digestive system connection (the biomes).



- **Enriched soil:** agricultural productivity
- **Animal feed:** alternatives for antibiotics
- **Nutritional content:** value-added products
- **Human health:** gut health, food safety

Dialogues

Sustainability is “health”. Health is “sustainability”.

- Environmental risks & societal factors contribute to business risk:
 - Should **sustainable capital** metrics increase emphasis on health/nutrition performance?
- Meeting ESG/SDG expectations is a business viability issue not a charitable or moral issue:
 - Should **companies** (& their supply chains) recast “corporate social responsibility” to emphasize “corporate value responsibility”?
- Consumers, investors & others require transparent & comparable benchmarks:
 - Should **governments & academia** do more to assess health & sustainability externalities?



“ Enhancing food’s nutritional quality while strengthening biodiversity (& showing it) is surely the big win –
good for the health of consumers/the planet, building trust & ensuring supply chain resilience. ”

@DMciStrategies

Thank-you...

daviddmcinnes@gmail.com