

Climate Change and Business II: The ROI for 'Going Green'
May 7-8, 2009

Overview: Even in the midst of a financial crisis, climate change remains a central variable for many of today's businesses. Senior executives, entrepreneurs, and investors are reviewing risk/reward metrics in a whole new market driven by the changing climate. This new market includes evolving technologies, alternative energy solutions, sustainability initiatives, corporate branding opportunities, and marketing strategies as well as innovative new investment portfolios. Beyond this, there is a new breed of executive rising to the task of "greening" a corporate environment. In response, the Scripps Institution of Oceanography has partnered with the Rady School of Management at UC San Diego to present the second installment in an executive education series teaching business leaders to quantify the ROI for "going green."

Executive Summary: This two-day course has three primary goals. The first goal is to equip participants with a basic understanding of the science behind the climate change issue. Why do scientists agree on certain conclusions? Where are scientific conclusions still too weak to underpin business planning? Understanding this issue is critical for executives not only for overall strategy but also, and perhaps more importantly, this understanding is also crucial for effective internal communication up and down your organizational ladder. The course arms you to answer frequently asked questions regarding climate change science and respond to points that are frequently raised but misunderstood in the media and by the general public. Understanding the science arms you to "talk the talk" in your work-environment, both in the boardroom and at the water cooler.

The course then builds on this basic scientific understanding in a transition to today's business climate. This section begins with broad survey of market sectors that are reacting to climate change and includes a discussion regarding the future of climate markets during a financial crisis. We take a "risk/reward" approach with an overview of physical, financial and legal risks coupled with a survey of new technology, emerging products and corporate practices that are likely to lead to new profits. We then provide an in-depth exposition of two specific sectors where science and business are breaking new ground – biofuels and water. Biofuels are likely to become a central tenant in tomorrow's energy markets and our in-depth treatment of this subject will discuss the science, business models and investment views on fuels produced by algae, food, and waste. Beyond energy, however, water could become the world's next critical commodity and we take a detailed view of changing water supplies and the business/investment opportunities focused on this sector. The second course goal is to demonstrate those who "walk the walk" when it comes to adapting their business models to both hedge risk and find new profit under a changing climate.

Finally, the course trains participants to take their own concrete steps. Start by forming a plan that not only lays out a detailed step-by-step approach but also quantifies the individual costs and expected return. Participants are divided into two parallel workshops based on their area of interest. One group will develop a corporate sustainability plan while the other creates a climate-based investment portfolio. Both workshops focus on the cost/benefit and calculate the ROI for each respective plan. Each group utilizes practical models and actual cases as the basis for group exercises providing hands-on experience. Upon conclusion of these workshops, course participants will be learning to "walk the walk" themselves and leave equipped with plans they've devised for their own corporate or investing application.

Course Outline

Day 1 at the Rady Exec Ed Classroom

Part I: Climate Change - Defining the Issue

- **Welcome, Introduction and Overview**
 - Stephen Bennett and Kurt May

- **Presentation: Climate Change Basics – What we know, what we don't know and why it matters**
 - Description: The basics of climate change through a clear and concise discussion targeted toward a business audience. Why do scientists agree on certain conclusions – what is “settled science”? Where are scientific conclusions still too weak to underpin business planning?
 - Speaker: Dr. Lynn Talley, Scripps Faculty and IPCC lead author (To Be Invited)
 - <http://sam.ucsd.edu/talleyhome.html>

- **Presentation: Communicating Climate Change – Words that work**
 - Description: People in business community seem to be having more and more conversations with their colleagues about climate change. Some of these conversations are formal boardroom discussions while others are informal “coffee talk.” This session discusses strategies for talking about climate change at all levels of the organization. Different communication strategies can be tailored to influence all levels of your organization whether upward toward senior leadership, laterally toward your peers or downward toward your subordinates.
 - Speaker: Michelle Lapinski, Sustainbiz (Confirmed)
 - <http://www.sustainbiz.com/mlapinski.html>

- **Panel Discussion: Learning to “Talk the Talk”**
 - Description: This section is a moderated discussion (no formal presentations) and includes course participants. How can the average person talk about climate change? Corporate “coffee talk” can be uncomfortable when confronted by colleagues who are skeptical on the issue. This session arms participants with clear and concise statements that summarize why there is a scientific consensus that human-induced climate change is real, serious, and occurring today. We will also address the frequently asked questions by the media and on the street. We examine the sources for easy understandable further information on this subject. We discuss how to recognize the pitfalls of misinformation and junk science as well as the importance of communication strategies that are not politically polarizing.
 - Moderator: Stephen Bennett, Scripps (Confirmed)
 - <http://sio.ucsd.edu/special/business/leadership/>
 - Panelists:
 - Dr. Lynn Talley, Scripps (To Be Invited)
 - Michelle Lapinski, Sustainbiz (Confirmed)

Part II: Market-Based Solutions

- **Panel Discussion: An Overview of the Risk/Reward Landscape**
 - Description: This section is a moderated discussion (speakers may have a few slides for support) and includes course participants. We present a broad overview of the macro-business trends in climate including renewable energy, clean-tech, sustainability, product placement/marketing, green-funds, etc. We'll also discuss a macro view of the business and legal risks in this space.

- Moderator: Stephen Bennett
- Panelists:
 - John Lormon, Procopio (Invited)
 - http://www.procopio.com/attorneys/john_lormon.htm
 - Kyle Beatty, Willis Reinsurance Services (to be invited)
 - <http://www.linkedin.com/in/kbeatty>
 - Dr. Andreas Hoeffert, UBS (to be invited)
 - <http://rady.ucsd.edu/exec/open/climate-change/hoeffert/>
 - Dr. Robert Wilder, Wildershires (Invited)
 - <http://www.wildershires.com/wilder.php>
- **Lunch: Building Green Leaders**
 - Description: Senior members of UC San Diego and/or Scripps discuss strategies for educating tomorrow's corporate leaders with a green focus.
 - Dr. Tony Haymet, Scripps (to be invited)
 - <http://sio.ucsd.edu/About/Director/>
 - Dr. Bob Sullivan, Rady (to be invited)
 - <http://people.forbes.com/profile/robert-s-sullivan/24523>
- **Business Forum: Biofuels in Depth**
 - Description: This section is a moderated discussion (speakers may have a few slides for support). This panel presents an in depth treatment of the biofuels arena including a survey of biofuels then discussion of algal biofuels in detail. What's the state of the technology where are the scientific barriers and what are realistic development timelines? What is the market for these fuels and what are business models that have emerged to work in the space. What's the investment landscape?
 - Moderator: TBD
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 - Participants:
 - Dr. Greg Mitchell, Scripps (to be invited)
 - http://spg.ucsd.edu/People/Greg/mitchell_bio.htm
 - CEO of a local Biofuels Company (to be identified and invited)
 - Dr. Rob Wider, Wildershires (Invited)
- **Business Forum: Water as a new (and scarce) commodity**
 - Description: This section is a moderated discussion (speakers may have a few slides for support). Why is there a belief that water could become the "black gold" of the 21st century? How solid is this science and what are the projections? How seriously is industry taking this? What's the state of an emerging "water market"?
 - Moderator: Clay Landry, Westwater Research (to be invited)
 - http://www.waterexchange.com/people/clay_landry.php
 - Participants:
 - Scripps Scientist - TBD
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 - Peter Williams, CTO of IBM (Confirmed)
 - <http://www.businessgreen.com/business-green/analysis/2202253/solar-power-smart-grids-heart>
 - Dr. Rob Wilder, Wildershires (Invited)

Dinner at the Birch Aquarium to include keynote speaker (TBA).

End of Day 1

Day 2 at the Scripps Climate Forum

Part III: Creating a Green Action Plan

- **Presentation: Corporate Sustainability – What does “green” mean?**
 - Description: An overview of sustainability and what it means for corporate culture, cost control, products themselves, branding and public relations.
 - Speaker: Michelle Lapinski, Sustainbiz (Confirmed)

- **Presentation: Environmental Investing – What does “green” mean?**
 - Description: An overview of investing strategies capitalizing on the “green” market. Ideas on researching companies, constructing portfolios, index investing, etc.
 - Speaker: Dr. Rob Wilder (Invited)

- **Breakout workshops and case studies**
 - **Sustainability Workshop**
 - Description: The instructor presents a case study that involves taking a corporate approach at sustainability. Participants are taught to review their operations, involve their employees, identify areas for reducing waste then plan a strategy to do it. Participants are also taught carbon footprinting and methods they could use for both reducing and offsetting their corporate footprint. A group exercise requires participants to perform a sustainability analysis for a hypothetical company then construct a sustainability plan complete with a cost/benefit – ROI report.
 - Instructor: Michelle Lapinski, Sustainbiz (Confirmed)
 - **Investing Workshop**
 - Description: The instructor teaches participants how to review corporate documents and review companies for their level of “greenness.” Also discuss “green” index funds as well other financial instruments that can be utilized in a “green” portfolio. A group exercise allows participants to construct a “green” investment portfolio and justify their selection of individual components.
 - Instructor: Dr. Rob Wilder (Invited)

- **The entire forum reconvenes and groups present their plans.**

- **Conclusion and Closing Remarks**

- **Reception**

End of Program

Climate Change and Business II: The ROI for 'Going Green'
Registration Cost: \$1895
Early-Bird Discounted Cost (prior to 2/1/09): \$1495
Special Discounted Cost for first 10 registrants: \$1000
Limited Seating Capacity