



UNIVERSITY OF
CAMBRIDGE

PROGRAMME FOR
SUSTAINABILITY LEADERSHIP

School of Technology Away Day

12 July 2012

Main Activities – no change

Executive Programmes -- Business & Policy Leaders Groups -- Sustainability Network

Core Themes – no change

sustainability strategy, financing sustainability, natural capital, climate & energy, and health

Sectoral Focus – more focused

financial services, food & commodities, energy & extractives, and consumer goods & retail



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New Strategic Priorities for 2012/13

1. Market segmentation/ targeting - strategic relationships with 25 influential companies & relationship management with top 250
2. New products: accredited programme, new e-learning programme, new leaders groups
3. Develop methodology for assessing impact of CPSL's executive programmes & leaders groups, & conduct research into corporate sustainability leadership
4. Build links to Cambridge research: further engagement between academics and business leaders & policy makers **
5. Clarify the CPSL Brand – proposed name change **

New Priorities by portfolio

Leaders Groups

Executive Programmes

Network

Existing

- Natural Capital Leaders Platform
- Water Stewardship
- Right Value collaboratories
- Land Use collaboratories
- Resilient Cities
- Climate Leaders Network
- UK & EU CLG
- Atlas Schools
- Clean Energy Investment in Eastern Europe
- ClimateWise
- Banking Environment Initiative

2012/13 Priorities

- **Biofuels Done Well**
- **Low Carbon Healthcare**
- **Investment Leaders Group ****
- **Centre for Financing Sustainability ****

Existing

- Accredited programmes:**
- MST
 - PCSB
- Open programmes:**
- BSP
 - CLP
- Sector programmes:**
- Health
 - Built environment
- Customised programmes:**
- Multiple clients

2012/13 Priorities

- **New accredited programme**
- **New programme for senior leaders**
- **New online programme**

Existing

- CSN Events
- Cambridge Distinguished Lectures
- State of Sustainability Leadership
- Newsletter
- Social media
- Design guidelines
- Dow Sustainability Award

2012/13 Priorities

- **CPSL Name Change ****
- **Cambridge Sustainability Platform ****
- **Leadership development research**
- **Impact assessment methodology**

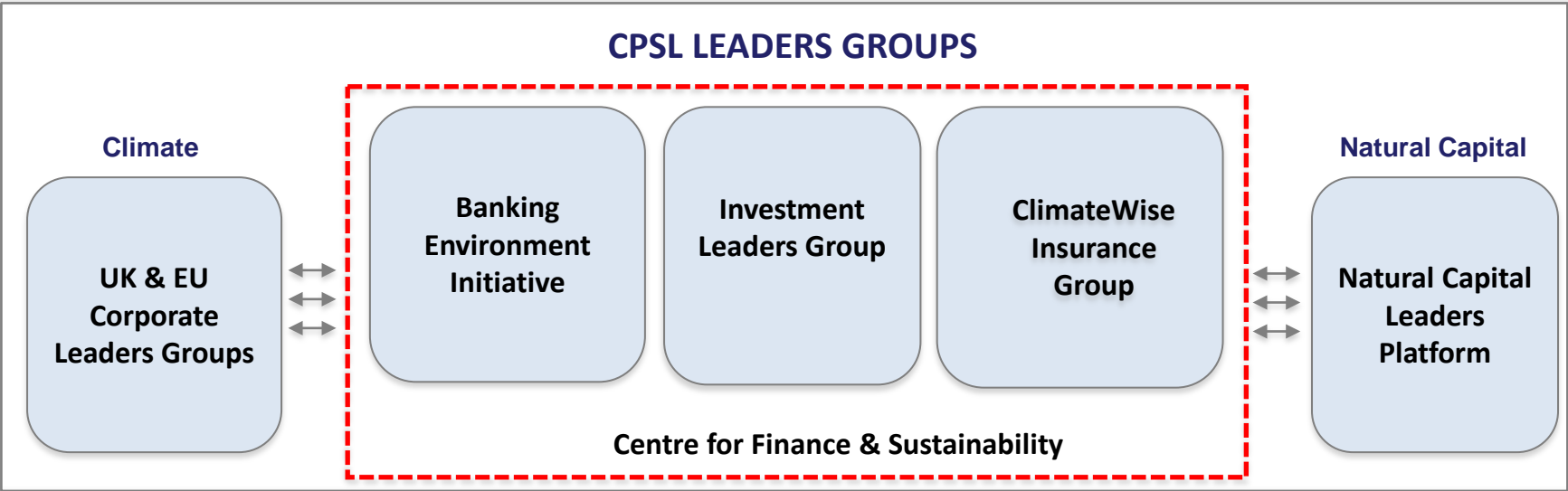


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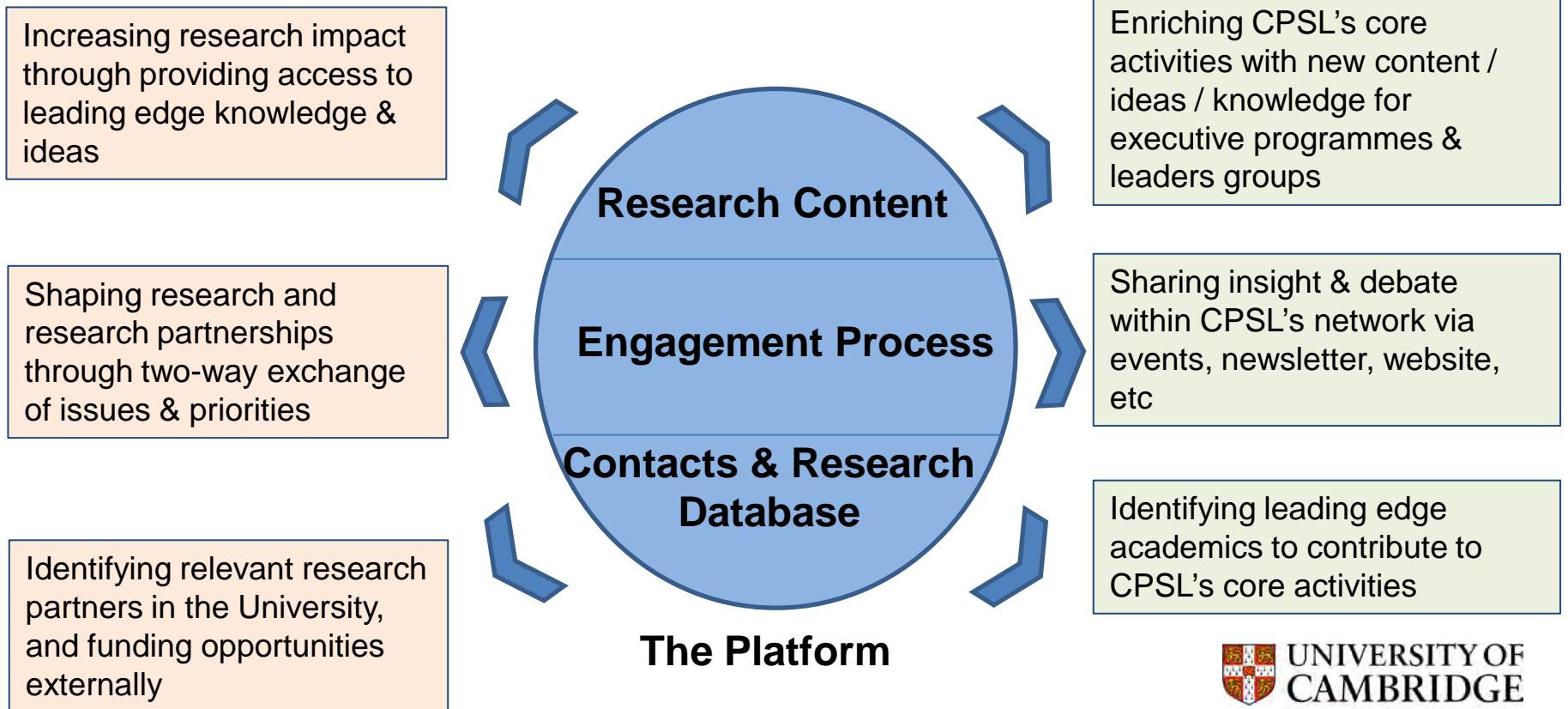
SUSTAINABILITY LEADERSHIP

Strengthening links with University research



The Cambridge Sustainability Platform

Sharing Cambridge research and exchanging ideas in the field of sustainability with business and policy leaders



Revisions to 3-Year Business Plan

1. Moderated overall growth expectations from c.20% p.a. to c.12% p.a.

- Focus on small number of **high impact corporate relationships**, with lower priority to new open executive programmes and roll-out of customised programmes
- Focus on strengthening **core leaders group initiatives** in finance, climate and natural capital, with lower emphasis on repeat products for new sectors and themes
- Headcount growth held below plan levels
- Small planned deficit in 2012/13 owing to changed priorities:

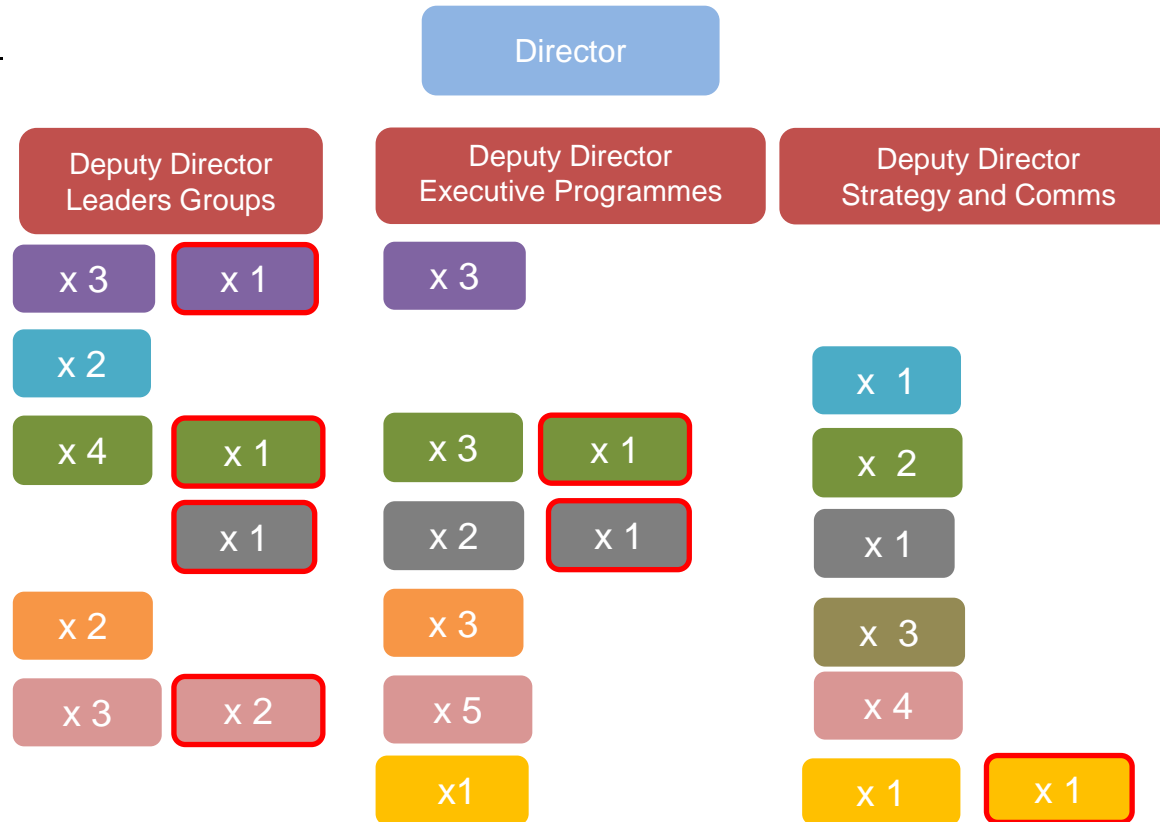
2. Investments in low or no income projects in 2012/13

- New Accredited and E-learning programmes
- Cambridge Sustainability Platform to strengthen business/policy links to the University
- Centre for Finance and Sustainability

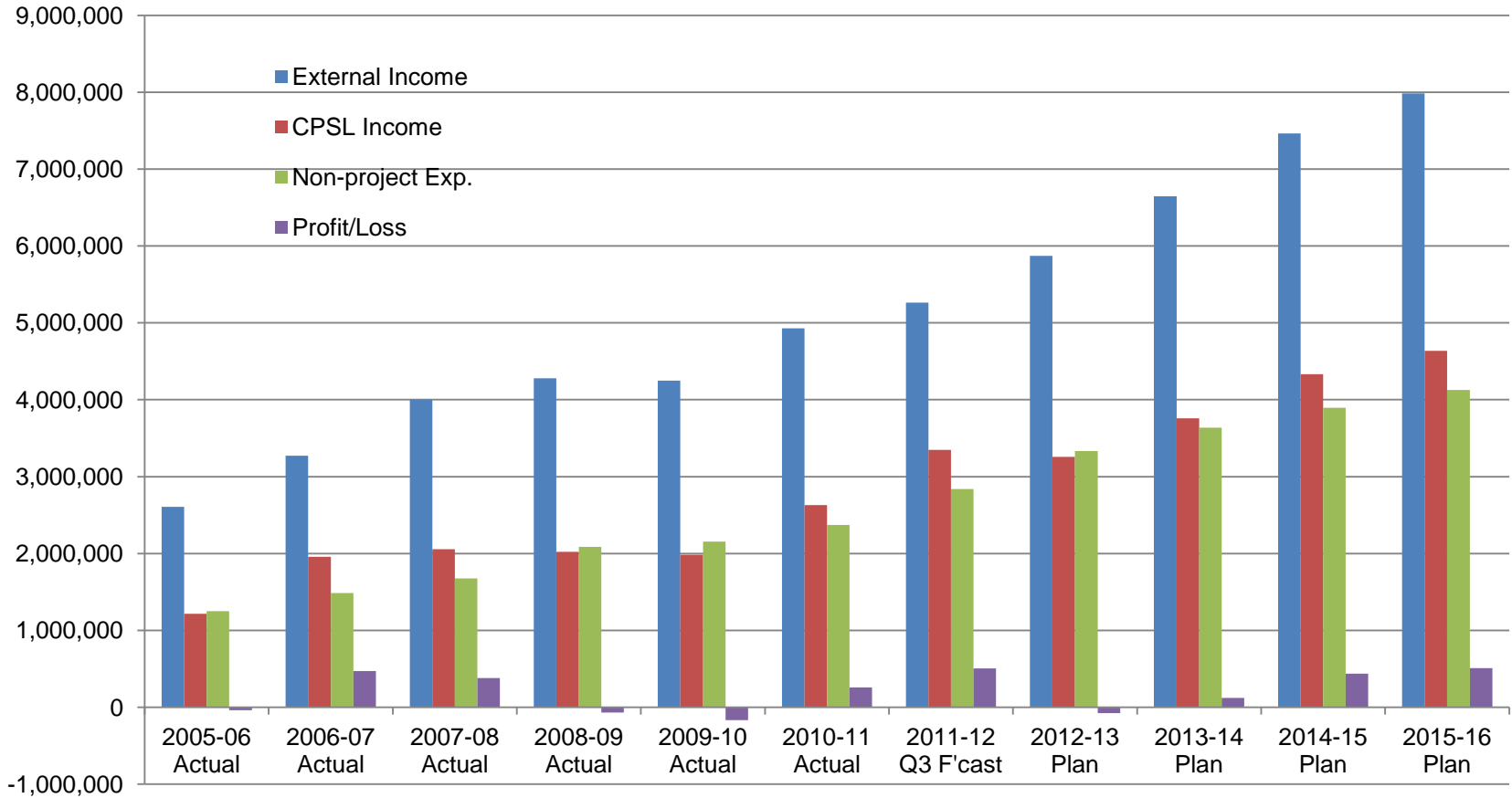
New 3-Year Plan: Headcount 2010/11 to 2014/15

	2010/11	2011/12	2012/13	2013/14	2014/15
Headcount - Original 5-Year Plan	39.6	48.8	57.8	63.0	not specified
Headcount - New 3-Year Plan (from 2012/13)	39.6	47.9	55.0	59.8	64.8

2012/13:



Financial trend: 2005 to 2015/16



Corporate Sponsors 2012/13



ARUP



Deloitte.

KINGSHER



Cambridge Programme for Sustainability Leadership

Open Programmes

Sector Programmes

Customised Programmes

Climate Leadership Programme

Business & Sustainability Programme

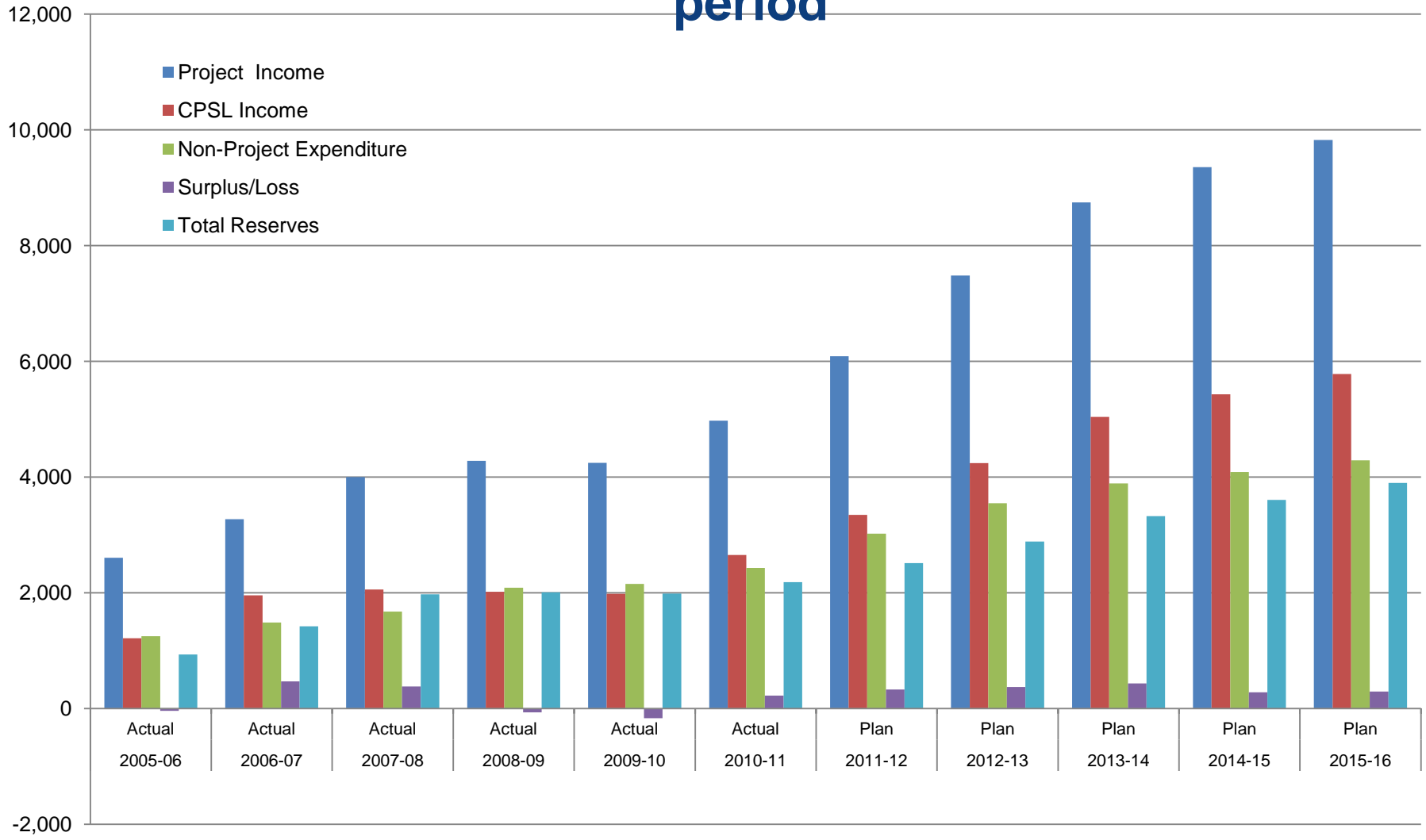
Sustainability Practitioner Programme

Sustainability Leadership in the Built Environment Programme

Cambridge Institute for Sustainability Leadership



Financial performance (actual & forecast) over a 10 year period



2011/12 forecast and new 3-Year Plan: Income, Expenditure, Surplus and Reserves

£ K	2011-12 Q3 Forecast	2012-13 Plan	2013-14 Plan	2014-15 Plan
Project Income (Turnover)	5,263	5,873	6,646	7,462
CPSL Income (Income less External Expenditure)	3,347	3,258	3,759	4,334
Non-project Expenditure (Salaries, overheads etc)	2,839	3,335	3,638	3,895
Surplus/Deficit	508	-77	121	439
Total Reserves (Unrestricted)	2,770	2,693	2,814	3,253

- Strong top-line revenue growth (>10% year-on-year) continues through planning period as income from new initiatives based on staff investment comes on stream
- Costs increase with investment in new personnel and premises and associated programme costs
- Small planned deficit in 2012-13 due to significant investment in new Cambridge Sustainability Platform, e-learning product and new Masters.
- Total Reserves remain above reserves policy requirement throughout period

Investment Leaders Group: Example problems to investigate

CPSL theme	Finance sector focus	Problems to investigate
1 Global low carbon shift	Asset allocation	<ul style="list-style-type: none"> a) Traditional asset allocation models structurally support carbon-intensity, despite long-term issues. This work would develop <i>ClimateWise</i> insurance investment thinking around appropriate long-term strategic asset allocation. b) Discounted Cash Flow models have historically been used to evaluate new energy investments, but may be less appropriate than alternatives like Real Options Analysis. This work would develop the <i>BEI's</i> initial thinking further.
2 Price in natural capital and other externalized risks	Portfolio-level 'new risk' assessment	<ul style="list-style-type: none"> a) Companies' risks related to natural resources issues are not immediately identifiable. Research is needed to understand the risks from, for example, water dependence. This work would model the implications for clients of un-priced natural resource risks across different portfolio types.
3 Developing the market in sustainability-sourced commodities	Commodities	<ul style="list-style-type: none"> a) At present it is difficult for asset managers to be confident that their commodities products do not directly or indirectly contribute to negative sourcing impacts such as deforestation. This work would compare commodity market listing practices with corporate entity sourcing practices. b) Asset owners often have long time-horizons for liabilities. As such, their future needs will be affected by megatrends such as population growth, resource scarcity and climate change. This work would review ideas to align investment vehicles with long-term client requirements and expectations.
4 Tackling short-termism	Client- and corporate-reporting cycles	<ul style="list-style-type: none"> a) This work would progress the debate on short-term reporting and long-term investment horizons, considering alternatives to the current model.