



Hannah Jean Clark

Board Trustee, **2050 Climate Group**

Organisation Website: <https://www.2050.scot/>

LinkedIn: www.linkedin.com/in/hannah-jean-clark

Delegate at the IoD Global Conference: 2 & 3 September 2021

Sustainable Business

Finding (im)Balance: ‘People, Profit & Planet’

Throughout the second session of the Institute of Directors Conference there was one phrase that seemed to arise again and again: “people, profit & planet”. Whether it was about improving employee working conditions, increasing the wellbeing of communities they operate in, or reducing environmental impact, I felt an urgent drive from business owners to have a more meaningful impact on the world beyond the profits they provide to their investors.

However, I tend to hesitate at the use of catchy phrases like ‘people, profit & planet’ - perhaps because of an innate scepticism (or even pessimism), or maybe it just seems too simple. And so, I felt compelled to investigate further and decide whether this uneasy apprehension had any right to be there at all.

Douglas Lamont (CEO of innocent drinks) spoke very well of the ways in which innocent had built the essence of ‘people, profit & planet’ into its foundations. And it certainly seems to be a successful example of how companies might prioritise the environment, local communities, *and* the bank accounts of shareholders. Innocent is committed to giving 10% of its overall profits to charity, reaching net zero emissions by 2030, and proving that “sustainable capitalism” works.

Let’s stop there.

Have you heard of another phrase - ‘there’s no ethical consumption under capitalism’? If not, here’s the gist:

Capitalism is fundamentally an economic system designed to put profit above all else (including people and planet), driving exploitation of land, resources, and human labour for the purpose of endless economic growth through the consumption of goods. Individual companies may do this to a lesser extent than others, but that does not change the fact that they could not survive without the perpetual expansion of profit. And what if they fail to do this? Will shareholders take a loss in profits in order to uphold commitments to people and the environment? Well, innocent (while they truly are doing amazing things) are owned by Coca-Cola - the corporation consistently reported as the world’s largest plastic polluter year after year. But I’ll let you decide how much faith to put in Coca-Cola’s business practices.

Kate Chambers (2050 Climate Group) asked an interesting question: how can we expect our businesses to be ‘good’ if the system is not? How will we ever find balance between ‘people, profit & planet’ if we function within a system built on the principle of capital accumulation above, or at the direct expense of, everything else.

I do not have one single solution to offer at this point, I can only encourage you to look into alternatives striving to build a better and more equitable system. This includes the ‘circular’ and ‘wellbeing’ economy, and business models such as ‘co-operatives’ and intentionally ‘not-for-profit’ enterprises (often thriving with thousands of employees).

Could we design an economic model that actively puts people and planet above profit instead? Could profit become a mere necessity in order to further the wellbeing of humans and the earth? Think about it.

-END-