

**LEADING THROUGH PURPOSE:
ALIGNING STAKEHOLDERS AROUND SUSTAINABILITY WITH ANDERSON TANOTO**

Anderson Tanoto saw the potential for his family business, Royal Golden Eagle (RGE), to become a leader in sustainability. Through his journey in transitioning the company into more sustainable practices, Tanoto learned that failure, perseverance, and equity are key ingredients to creating meaningful change.

Listen to Anderson Tanoto tell the story how RGE was founded by his father, became a global enterprise and then transitioned to a sustainability leader. With specific examples and insight from COP 21 and 22, Tanoto also shares tips for business leaders starting their own sustainability journeys.

Esther Choy:

In every season of family IN business, we bring you an encore episode with a guest whose family enterprise story serves as a capstone to the entire season's theme.

And since the theme for Season 2 is: Purpose, we have invited a second generation leader, Anderson Tanoto, whose purpose is sustainability.

Hi, my name is Esther Choy, the executive producer and your host of the John L. Ward Center for Family Enterprise' own podcast series, family in business, a podcast that features stories of leaders, their families, and the family enterprises they transformed.

Given the timeliness of the topic: sustainability, in Season 2's encore episode, we thought you would really appreciate hearing a recorded interview with Anderson as he walks us through the many challenges of bringing scalable sustainability to his family business. Royal Golden Eagle. And on things like why palm oil is actually good for the environment.

Anderson Tanoto:

My name is Anderson Tanoto. I'm a managing director in RGE or Royal Golden Eagle. We're a second generation family business. My father, Mr. Sukanto Tanoto was the founder, in 1967. We're celebrating 55 years this year, and we are actually predominantly in three main businesses. The first line of business, we call it anything to do with fiber, so eucalyptus and Acacia trees. We plant plantations to make cellulose pulp, to make paper, tissue, paper board packaging. We also use the same cellulose to make a viscose rayon for textiles, so this is a cellulosic for sustainable clothing and sustainable textiles.

That's one side of our business. The second part of our business is agriculture. We plant palm oil trees to make edible oil, biodiesel, cooking oil, cocoa butter substitute, et cetera. And then the last line of business is actually our energy business. We're focusing predominantly on gas, so we have a LNG receiving terminal in China and a few gas power plants as well as a gas operating asset in Canada. That's

our three main lines of businesses in terms of our direct business. I play the largest role mostly in the fiber business side, so anything to do with eucalyptus and Acacia trees.

Esther Choy:

We want to take a particular interest in sustainability. Purpose, and in your case, sustainability, and the inter-play between the two. Given the three distinct lines of business that your family enterprises are in, can you just give us a view of the journey of how did your family enterprise come to sustainability?

Anderson Tanoto:

It's interesting because the topic of sustainability has taken its own evolution in the last, I think, especially in the last 10 or 15 years. What was sustainable in the eighties and nineties may not necessarily be sustainable anymore in the two thousands, and it's evolving. So the journey for us has always been sustainability in terms of the business sense. And a lot of times actually, when you weave in business sustainability, it actually falls back also to environmental sustainability because when you are sustainable for the environment, it's actually good for the business as well. Many people think that... when business versus the environment and that if you harm the environment it's actually more profitable. Perhaps on a short term basis it is, but for medium to long term perspective, it's not, and this is how we approached our business. And this is why we started with the renewable plantations.

Our family back in the sixties and seventies was in the plywood, basically logging business, but we started realizing that's not sustainable because if you log trees without replanting them, you cannot have a renewable industry. I mean, eventually it'll be finished. And that's how we started focusing on a lot of the plantation business where we're actually planting trees. And the exciting part of what we do is everyone asks me, "What is your raw material?" I always say our raw material is actually carbon dioxide. A lot of sunshine, water. We trap the carbon molecules and we release oxygen. And these carbon molecules are actually what makes cellulose pulp that we produce for various products.

Esther Choy:

Going back to you used to be in logging but soon realized that the rate of logging takes a lot. It's a lot faster than how long it takes to plant trees. Was it a gradual process for your family to realize that sustainability is an important part of business or was there any one in particular person that helped you guys along on that journey?

Anderson Tanoto:

I came back to the family business, actually, in 2013. That was a big driver of the transition to a much more sustainable business. But beyond that also it's to go above and beyond what we call just compliance. I always share with many of my friends and a lot of stakeholders that I speak, in terms of conferences. I'm probably one of the youngest typically when I speak in most of the conferences about sustainability. And if anyone should be worried about the environment or climate change, I should be the most worried because I'll bear the brunt of climate change in the next 70, 80 years ahead of us. So in that sense, coming from my perspective, if you're looking at it from immediate to long term perspective, if you harm the environment, it's going to result in greater climate change. Greater climate change is

going to result in unlivable cities, unlivable environments, and the younger generations, my generation, would bear the brunt of it.

So from that perspective, as I came back to the family business eight years ago, nine years ago, it was a transformational process. The first two or three years really was to align the business to make sure that you don't only talk about sustainability or commit to something but not actually do it, really aligning the business and streamlining our business to make sure that whatever we say that we commit externally, we are actually implementing it. And also changing the conversation between business versus sustainability, but rather a win-win situation.

For example, one of the examples I have that in 2015, actually in COP 21, which is the conference of the parties. COP 21 was in Paris in 2015. We were the first company in the world to actually commit to something called one for one. Every hectare of plantation we have, we would like to have one hectare of conservation restoration. This was way before everyone was talking about restoration and restoring the forests because I felt that actually we have every reason to restore and protect the forests because these are within the same landscapes where we operate. So through that process, we were able to conserve about 400,000 hectares of natural forests. Just to give you the scale of 400,000 hectares, that is seven times the size of Singapore, so it is a very large area.

And in that process, we were able to protect natural virgin forest and also the biodiversity behind it. And of course in 2021, 2022, it has paid off because we went ahead with something called a VCU process. We call it a verified carbon unit process, and it is now the largest carbon project registered on Verra, which is a carbon exchange, at 7 million tons of avoided emissions on an annual basis. My point being is I think companies can benefit from being more and more sustainable. Companies can also capitalize on a lot of the carbon credits that are coming up moving ahead. I think gone are the days when people are saying absolutely zero emissions. What we need to do is reduce emissions and then we call it net zero, so there needs to be offsets that's happening globally. And a lot of these carbon units or verified carbon units are effectively a great way to offset carbon as well.

Esther Choy:

ESG back then wasn't such a hot topic like it is now, but I wanted to see if you can kind of help us bring back the fog a bit at the time when you didn't know what you didn't know. And kind of maybe one thing at a time was... now that it is successful, it's easy to say, "Well, that was the right thing to do all along." But when you were pushing for this, what major obstacles might you have faced? Because really any time you're trying to push for new initiatives, new change of this scale, I would think that you have to have encountered some obstacles.

Anderson Tanoto:

Absolutely. I think two or three aspects first is that people think when you are a sustainable... when you try to position yourself as a sustainable company, then you'll not get criticized. Actually, that's not true. The more you put yourself out there to be pledging on sustainability, the more you'll be criticized because you are putting yourself out there. I wouldn't say criticized but scrutinized, and this is one of the interesting challenges we've had in the last seven, eight years is when you're pushing the boundaries of sustainability, you're taking risks and taking risks means you're putting yourself up for scrutiny.

But what I also soon realized is that putting yourself up for scrutiny, it's healthy. There's no replacement for transparency, monitoring, reporting and verification. And in some sense, companies build their credibility by doing that. When you share success stories, but also share failure stories, things that did not work in terms of sustainability projects, it gives a very humbling and very real story of the sustainability journey and companies that only "greenwash" and only tell the positive stories of sustainability are the ones who are typically not doing very much.

Those who try and do a lot of sustainability initiatives, maybe two out of three projects succeed, but one out of three project, 30% of the projects may fail. And a lot of the failures of the sustainability projects are also something to learn from. I would like to give an example. For example, fire. There's a lot of challenges and issues about fire, for example in Indonesia. Preliminarily we wanted to do rapid suppression to stop the fires from spreading, so we actually expanded our fire suppression capability. We ended up buying a number of aerial assets or helicopters to suppress the fire in a rapid manner. And I start realizing that actually this is not the way to solve the fire problem for Indonesia because in Indonesia, the humidity level is actually 98, 99%. It's very, very humid, so there's no self combusting fire unlike in California or in some parts of southern Africa.

A lot of the fires were man made either from agricultural clearing but they couldn't control the fires, or man made incidences, so we changed our model tremendously after a few years. Instead of suppression, we talk about prevention. It's much lower cost to prevent the fires from starting than to suppress it. So a big part of our sustainability project at that point in time converted to become fire prevention, which is a community engagement process to actually educate the community and our surroundings to prevent fires from starting in the first place. Giving them incentives, alternatives to set up agricultural land and actually setting up fire community centers in each of the villages. So each village actually had many capabilities to suppress their own fire in the grassroots way, and that worked out exceptionally well. I think in the villages that we engaged the fire rate dropped 96%, tremendously.

And in the villages that we have not engaged with, actually the fires are still there. A very real, very pragmatic approach of fire prevention, but it paid off because the emissions that you get from fire on forest land is immense. You talk about emissions of burning coal for power plants. If you have forest fires, it's actually even worse, so it is something that is good for the environment. It's good for the health of the people that live around us, and ultimately it gives the people on the ground alternatives for agricultural clearing as well.

Esther Choy:

Yeah. So besides putting yourself out there, wanting to own a piece, a role in sustainability, but that invites a lot more scrutiny, were there any other major challenges that you remember once you want to put your stick in the ground that this is the path that you were going?

Anderson Tanoto:

I think it's also bringing the external stakeholders together with you because sustainability... it's aligning internally your organization, but also there are a lot of external stakeholders you have to engage, whether it's NGOs, governments, policy makers. That has been challenging because we operate in countries like Indonesia, Brazil, China, emerging countries, whereby there are certain things that we do not only abiding by local requirements but also international standards. And at times the government regulators actually don't really understand why we're doing certain things.

For example, our conservation and restoration area. These are actually production concessions that we decide not to produce from. We actually turn them to a restoration license. And the government was not understanding why we're doing such things because they're thinking it should be developed for economic development and that it's part and parcel of the reason why the concession was given in the first place. What I realized is that there are different levels of understanding and different levels of evolution for sustainability, especially as you open up the stakeholders to external stakeholders. There are various expectations and the level of understanding of sustainability continues to vary, especially in the different countries we operate in.

Esther Choy:

People have different evolutions of understanding of the inter-play between economic development and sustainability and since you guys operate in so many different countries, how do you coordinate a sense of leveling of understanding, because it's the same business, but operating in different countries.

Anderson Tanoto:

It has to be done in a coordinated manner because our sustainability framework, a group-wide, it applies to all countries wherever we operate it. It's just that in certain countries you have tailwind, meaning the government's supporting you to do such things. In certain countries you have headwind where the government doesn't understand why you're doing it and maybe creating more challenges and issues as you go on the sustainability journey.

But we look at it from a holistic basis. Our sustainability framework and commitments are not different in different countries. They're actually centralized and... for example, our emissions reduction program. It is top down from the group-wide and then each of the emissions reduction programs actually being implemented at the various countries and the various operations we have.

Esther Choy:

OK. In trying to prepare for this conversation with you, my husband came across this book. It's a dictionary of a book. I don't know if you've seen it, by Mark Carney, Value(s).

Anderson Tanoto:

Values.

Esther Choy:

Here, at least in the U.S., people regard this as the bible of ESG sustainability. And then I have a quote in there that I love. And for this purpose especially, is that, "Sustainability is the precondition to solving climate crisis." Do you have climate in mind as you pursue this path closely? Or is this something that you think about in terms of a balancing of the ecosystem? Sorry for tagging along with that. This is the list of UN's [crosstalk 00:23:19] sustainable development goals. There are 17 of them. How do you prioritize which one matters or are most important to you guys?

Anderson Tanoto:

Love the two questions. I think if you look at the biggest agenda in the last few years, since COP 21 in Paris, has been emissions reduction. Emissions reduction is about not releasing greenhouse gas emissions to the atmosphere that results in the warming of climate. So in some sense, it is about reduction in emissions, whether it's carbon dioxide or methane or various other greenhouse gas emissions. It is predominantly driven by the climate conversation because the climate change potential, if it's one and a half degrees or two degrees or two and a half degrees of temperature rising, there's a lot of catastrophic effects that can follow suit after that. However, there's also a second track discussion on biodiversity as well because people start realizing that you're purely speaking about reduction of emissions. It's all about reducing greenhouse gas emissions and hence, it's not really about nature perhaps, but there's two tracks of conversation, which is biodiversity in nature, as well as climate change, which is reducing greenhouse gas emissions.

I personally believe the first agenda on greenhouse gas emissions reduction is the most important agenda because this is probably the most real and something that we'll face tremendously in the next 50, 60 years ahead of us. But of course, nature is as important because once you lose nature, you cannot gain it back. And in that sense, countries where we operate in, especially Indonesia and Brazil where biodiversity and nature is very, very rich, there's of course more potential for countries like us to contribute. And the point on greenhouse gas emissions, I find it very fascinating because the biggest challenge that we have is how do you have equitable reduction of emissions? If you look at the total cumulative emissions globally, countries that industrialized first have emitted the most. This is post industrial revolution that is Western Europe, including United States and North America, while countries that are now developing in this decade or this century may be emitting higher on an annual basis now, but cumulatively, they've not emitted as much.

So to me, the biggest challenge on the reduction of greenhouse gas emissions is how do you do this equitably? That is a very interesting challenge that we have. I was actually in Glasgow for COP 26 as well and there was a diplomat that spoke and I remember this very distinctly. Climate change, it's like we're entering... we know there's a storm ahead of us. This is an incredible storm and we're in the ocean and all of us see the storm ahead of us, a very catastrophic storm. However, everyone's on a different boat with a different captain with different passengers in them symbolizing some of the countries because each of the countries have different captains and each of them have different priorities.

So how do you then tackle this storm ahead of us while we're all in different boats? And this is how all the countries have to come together and work on it jointly. The climate change issue cannot be resolved by one single country or even only by the developed countries. It has to be coordinated across both developed countries and developing countries and it has to be done fairly and equitably and I think that's the biggest challenge for us.

On your point on SDGs, 17 SDGs, I've studied this very closely actually. As a matter of fact, our capital foundation actually collaborated with the United Nations Development Program, UNDP, to set up an SDG academy actually in Indonesia. The SDG academy is funded by our foundation in Indonesia. And as you rightly say so, how do you prioritize your SDGs? We've done that exercise actually in 2015 prioritizing our SDGs. Basically, we pick specific goals that have direct impact with our business and then there's certain

goals that are actually more catalytic, meaning we can invest in it and we can have impact. I think SDGs is a great framework to have a comprehensive approach on sustainability.

And what it allows you to do is to actually measure the progress that you've done in a very quantifiable manner. The 17 SDGs actually have various KPIs under them and it makes you set targets as a company, as an organization. I really like the SDG concept. Sustainable development goals is KPI driven and whatever you can measure, then you can manage, of course. This is a saying that everyone knows. And it is important for sustainability to be measurable and therefore it can be manageable. If not, it is just a slogan and a lot of taglines that people speak about on sustainability, but it is difficult to measure and then therefore difficult to manage. So I think actually more companies should adopt the SDG framework. More organizations should adopt SDG framework and measuring ourselves by some of the SDG standards.

Anderson Tanoto:

Yeah. I really like that analogy that you share at the COP 26, and if I may extend that even further, I would say yes, catastrophic storm, everybody's in the ocean, different boat, different captain, different passengers. And maybe because I've lived in this country for so long that I think people have a different agreement on the severity of the storm and therefore what should be done about it if anything should be done about it. I think that's the inherent challenge in this whole conversation is that, well, how bad is it? Is it really bad? Is it even a thing?

And so one of the questions I hope you don't mind me dialing into... because it's, you are a co-business owner and you have personal stake in this versus the masses. The general populations have a very different understanding, different read on the storm. So this is the one that I hope you don't mind me asking you to help me as well as listeners in the general public clarify is that palm oil, the general understanding widely circulated is that wasn't palm oil bad for the environment? But you are in this business as well, part of your business. So how does that work?

Palm oil is not bad for the environment but the people planting palm oil can harm the environment. The problem with palm oil is that it is a very lucrative problem and the bad actors in the plantation business are converting natural forests or deforesting to plant palm oil. That is bad. The palm oil crop itself is actually not bad because if you think about it... perfect example. You have soybean, which is a form of edible oil, or you have palm oil. A hectare of land, one hectare is about two and a half acres of land, can produce about one to 1.2 tons of oil if it's planted with soybean. If it's planted with palm oil, it can produce six to seven tons of oil. So in terms of land use efficiency, palm oil is far more efficient for oil production compared to any other edible crops there.

For example, if we need to consume a hundred million tons of edible oil annual basis, if you only use soybean, you need a hundred million hectares, right? But if you use palm oil you actually only need 12 or 15 million hectares. So in terms of land use efficiency, palm oil is very sustainable. But how then do you go about planting it sustainably? You should not be deforesting converting natural forest to plant palm oil because that is bad. You should not be converting natural forests that will destroy the animal habitats to plant palm oil. Agriculture should be planted in the created land, land that is already degraded or zoned for agricultural use. I think that's the key for sustainable production of palm oil. And there's a lot

of certification standards now that try to also categorize or separate what is "dirty palm oil" versus greener and more sustainable palm oil. Hopefully as we move ahead, there can be a better understanding of what palm oil is and how it can be grown sustainably and how it can be less linked to deforestation. And I think that is the biggest challenge for us.

Esther Choy:

It's not the plant or the thing or the tool itself.

Anderson Tanoto:

The people.

Esther Choy:

It's how people...

Anderson Tanoto:

Correct.

Esther Choy:

How they used it is like fire can do great, fire is a huge thing in the evolutions in human development, but fire can also kill and destroy.

Anderson Tanoto:

That's it.

Esther Choy:

I want to guide it back to talking about your family. You said when you came back to the family business in 2013, you were really championing that sustainability. How did you get bit by the bug of sustainability?

Anderson Tanoto:

It started with spending time on the ground and seeing what we did and seeing there's so much potential on sustainability because what's funny is we are not in a fossil based business. We are not in coal. We're not in oil drilling. We're not in mining business. Inherently our business is actually renewable and sustainable because we plant trees, we harvest and we plant and we harvest and we plant and we harvest them. I started to realize actually we have so much potential, but why are we not using our potential? There's so much we can do in terms of forest conservation. Why are we not going above and beyond just managing plantations? Because the same resources that's used for managing plantations can be also used to manage natural forest in conservation. So for me, the biggest desire was that there was so much potential yet our potential was not met.

And that's when I start realizing, you know what? We should be leaders in sustainability. We should take more risky commitments to actually make sure that we achieve them. We should be above and beyond what compliance requires us to do but really be industry leaders. And that's when I start pushing and I realized that it's good not only for external stakeholders and parties, also for internal stakeholders. We were much more engaged as an organization. People are proud to work with us as a company. You ask purpose. Good companies...

What is the difference between a good company and a great company? A good company is a company that's running its business successfully and people work, et cetera. But a great company is led by a purpose that all its employees believe it's doing. And I think in some sense on the sustainability front, it has to be driven and led by our purpose because it engages their employee much better and people really will stay with the company beyond just the regular compensation benefits. They feel proud to be working for the company.

Esther Choy:

Yeah. Do you have a purpose statement

Anderson Tanoto:

Our purpose is actually quite straightforward. It's improving lives and developing resources sustainably. And why we say we are improving lives? We are making products that on a basic perspective, we're producing tissue, packaging board, affordable, sustainable textiles. Effectively really catering for countries with larger populations and really improving their lives and their lifestyle and the quality of life. It's very typical. For example, even tissue in developing countries, people don't use tissue as much because typically the living standards are still lower, but as they develop, as in terms of living standards going up, tissue consumption typically goes up as well and it's much more hygienic. You spread less diseases, et cetera. So that's a good example of what we actually do.

Esther Choy:

Yeah. I found this. I want to share this with you. It's my mother's high school yearbook.

Anderson Tanoto:

Wow. Where is that?

Esther Choy:

In Indonesia in 1958.

Anderson Tanoto:

Wow.

Esther Choy:

And this is one of the more well known Chinese Indonesian schools in Jakarta.

Anderson Tanoto:

Wow. Very cool.

Esther Choy:

Yeah. Yeah. So I remember last time when I looked at this, it made me thought about your parents.

Anderson Tanoto:

Very cool.

Esther Choy:

It sounds like they might be about 10 years younger than mine. And I remember last time you told me a little bit about your dad and how he started his business. I wonder if you could just quickly retell that story. It was very inspiring.

Anderson Tanoto:

Sure. My grandparents on my father's side was from Fujian in Putien in the Southern part of China. And in 1949, they decided to jump on the boat and sail south and they were not really sure where they will arrive because when you take the boat, you're not sure where it'll go. And my grandmother landed in a port town called Pelalawan. It's about two hours away from Medan , which is a large city in Sumatra and, and gave birth to my father in 1949. So my father is the eldest of seven brothers, first generation Indonesian, and grew up from there. So he was in high school, but did not finish graduate high school at that point in time. Not because he couldn't finish high school but the school was closed actually. In the 1960s there was a... call it a communist scare. Basically, my father was attending a Chinese school, very similar to the one that I think your parents attended as well.

And in the 1960s, all the schools were shut because there was a movement against Communism in southeast Asia. When the school closed he had nowhere to go, so he started working. He started working at 17 years old in the gas station and worked his way up. He first opened up a spare parts store to supply various companies and then gain larger contracts, supply equipment for a state own oil company called Pertamina which was one of the largest state own companies in Indonesia, that's oil and gas, and worked his way up from a small spare parts shop to now having over 60,000 employees, \$25 billion in assets and operating in Indonesia, China, Brazil, Canada, and various other countries. So, a self-made man. I wish I could show a picture. I would have had it ready but really he came from nowhere. And one thing I realized what makes him so successful... this year he's 73, is that his desire and thirst to learn. Even at 73 he loves to learn. He loves to read and everyone's talked about lifelong learning, but to me, he's the embodiment of what lifelong learning is.

He told me one thing which was fascinating. He said back in the day, knowledge was like an asset that doesn't depreciate very quickly. It took 20 years for that knowledge to be relevant, right? I mean, if you

know something, the knowledge that you know would stay relevant for 20, 30 years. That was back in the days, but now knowledge depreciates faster than even a vehicle or a car. The moment you know something, if you stop learning, the knowledge is actually going to depreciate every year. So in that sense, it's very important for an individual to continue lifelong learning, to have the thirst to learn. And even someone of his stature and his success at 73, he even still takes two weeks every year to attend schools.

Esther Choy:

Wow.

Anderson Tanoto:

He has attended classes in Kellogg. He loves attending classes at Harvard. Sometimes he will be a guest speaker, he will teach, but he loves learning. And I think this is what has brought him so far in the last 55 years of his business.

Esther Choy:

Yeah. And along with your siblings, you guys have been very... been brought up educated in the west at Penn and whatnot. How do you in particular, if you guys see things differently, how do you reconcile your views?

Anderson Tanoto:

From the sibling group or from the generation one?

Esther Choy:

From the generational point of view, yeah. You and your parents' generation.

Anderson Tanoto:

I think what I really appreciate actually in our family business conversations is that my father likes diversity in views. Actually, he's concerned when everyone thinks the same way because then we must be missing something. So in that sense, we were brought up... we spent a significant amount of time in Indonesia and then Singapore and then we spent most of our university in the U.S. That brings a different perspective to the way we look at things which is positive because when you have diversity in views is when good decisions can be made. So we encourage... at least in business conversations, first of all, we normally don't make decisions only in the family members because we have professionals also together with us, so we actually bringing really professionals and executive family members together to make good decisions. That's number one.

Number two, we appreciate and respect diversity in views because that's how you make good decisions. And last but not least, I think part and parcel to be successful in business families is that you must be able to be comfortable with opposing views. I wouldn't say conflict resolution, but I think it's important to be able to make good decisions together and be able to use to strengthen different views and arrive at

a good decision. So I think that's something that we do relatively well. I think so far that is part and parcel of why our family business has also been successful.

To me on the topic of sustainability, I think just to share tips of sustainability is that you must first try doing it and failing should not discourage you from attempting to be more sustainable or executing sustainability projects because in the process of some of the challenges and failures, that's when you learn the most actually for sustainability. So business leaders out there, business owners or senior executives, I think the journey of sustainability is absolutely critical, but they should not be afraid to take the first step because not doing anything is even worse. I think attempting changes in the business or changes in the organization to be more sustainable and then course correcting after every few years, as you learn more about how to do it correctly, it's better than not doing anything at all.

So this is what I've learned in the last seven, eight years of our journey. And everyone would be able to... if everyone does their part, I'm confident that we can tackle this climate change issue. I'm actually more optimistic than pessimistic. When you say, Esther, that people have different perspectives on the storm or the climate change seriousness, I sense perhaps that was... if I look at the two COPs in 2015 versus the COP 26 last I attended a few months ago, it's that COP 21 in Paris was a discussion amongst elite business leaders and only G2G governments, but COP 26, I feel like it's a discussion not only among governments and policy makers but also a lot more businesses and a lot more community and the population at large. So the awareness of this issue and sustainability is immense.

The key is not to pit sustainability against jobs. I think that's where a lot of perhaps some people in various countries including America felt that, or feels that, why are you prioritizing sustainability and making us lose our jobs? Ultimately, it's not about people not believing in climate change but it's because they're... again, you're pitting short term interests with medium to long term challenges. That's when people will start not believing what's going to happen in medium to long term. So the key is [inaudible 00:53:21] equitable and just transition. It's absolutely critical and that's the key to make our journey to tackle climate change, I guess, truly sustainable so that we don't take one step forward and two steps back.

Esther Choy:

Yeah. That's really key. Don't pit one important factor against another and don't let failure be the reason that you don't do anything at all.

Anderson Tanoto:

That's it. Well summarized. Thank you.

Esther Choy:

Thank you, Anderson Tanoto for sharing your journey of bringing sustainability to your family business with integrity, creativity, and perseverance. And thank you listeners for tuning into this encore episode for family in business. A podcast sponsored by the John L. Ward Center for Family enterprises at the Kellogg School of Management. Stay tuned yet for season three of family in business coming up in the next few weeks because the theme will be on entrepreneurship within the family enterprises

Esther Choy is the President and Chief Story Facilitator of [Leadership Story Lab](#), where she teaches business storytelling to organizations and professionals who are searching for more meaningful ways to connect with their audiences. Leaders trained in storytelling find compelling narratives to communicate authentically, inspire others, and create unimagined, lasting impact.

Since 2010, Esther has combined the science of persuasion and the art of storytelling to help her clients gain a competitive edge. Since launching Leadership Story Lab, she and her team have served clients across industries, including United Airlines, Tyson Foods, ZS, McCormick Foundation, Brookfield Asset Management, Adyen, Moore, US Cellular, SC Johnson and PayNet, an Equifax Company.

Esther is the author of the book [Let the Story Do the Work: The Art of Storytelling for Business Success](#). Her work appears regularly on forbes.com, virgin.com, entrepreneur.com, and ama.org. Her podcast, Family IN Business, is sponsored by the John L. Ward Center for Family Enterprises at the Kellogg School of Management, where she also holds an adjunct lecturer appointment. She is a graduate of Kellogg, as well as Texas A&M, holding an MBA from the former and MS in Higher Education from the latter.

Esther spent nearly half her life in Hong Kong, and now lives in Chicago with her husband and two daughters.

Established in 1999, the [John L. Ward Center for Family Enterprises](#) pioneered much of what is known about the collective challenges that family businesses and their leaders and owners face, making the Ward Center synonymous with new ways of thinking about the ownership and leadership of family enterprises. Clinical Professor Emeritus John Ward, along with co-founder Lloyd Shefsky and numerous faculty and staff aligned with the Ward Center, developed a world-class teaching and research center that provides cutting-edge thinking and guidance for family business purpose, vision and strategy, governance, leadership, succession, entrepreneurship in family business, family engagement and cohesion and family business culture.

The Ward Center has built a collaborative family business community among Kellogg students, faculty, alumni and family business scholars, and has developed a global network of successful business families who can learn from - and connect with - each other to generate innovative solutions to current and emerging challenges faced by family enterprises. The Ward Center also creates unparalleled executive programs and conferences to drive strategic conversations about innovations and best practices in the field of family enterprise.

Renamed the John L. Ward Center for Family Enterprises in 2020, the center today is in a unique position to transform the decision-making and strategic thinking of future generations of family enterprise leaders. The Ward Center is dedicated to producing rigorous and relevant research into the unique demands, strengths and evolutionary paths of family enterprises. Results of this research are delivered in the classrooms to all ages of family business leaders.

In addition to our focus on the complexities of family enterprise leadership, governance and strategy, we integrate Northwestern University's and the Kellogg School of Management's authoritative expertise into

our curriculum to create a world-class, comprehensive, cross-discipline family enterprise resource. Our fusion of this deep academic capability with knowledge gleaned from our global community of high-impact business-owning families helps create the Ward Center's unique theory-driven, evidence-based frameworks.

The Ward Center has a three-pronged approach:

- Providing MBA curriculum and programming for students who are part of a family business, as well as students interested in the fields of private equity and venture capital
- Offering executive education courses that cover the full gamut of family enterprise management issues including family business strategy, governance, succession planning, entrepreneurship, family offices and family business culture
- Conducting groundbreaking research, both academic and practitioner-based, to better understand the challenges facing business families