

*Welcome to Zero-In presented by Deloitte's center for climate action. Your host for the program is Bonnie D Graham. This program will set up your business for the future with topics centered on accelerating climate action. We'll focus on core climate challenges and insights designed to move you to the next stage of your climate journey. Now, here is Bonnie D Graham.*

**Bonnie:** Welcome to Zero-In podcast, sponsored by Deloitte Canada. I'm Bonnie D Graham producer and host here with another really important topic we hope will resonate with you in our Canada listening audience and eventually when we publish this around the world. Topic is changing, the way we use energy, very, very big topic. Let me give you a little background before I introduce my special guest at the forefront of nearly all climate conversations is energy. Let that sink in for a second. It is increasingly more apparent that the current state of the world's energy consumption is not sustainable and requires drastic change. And you know who you are because we're all part of this. Leaders worldwide have set ambitious goals to reduce emissions. And as a result governments and corporations are developing and implementing strategies to reach these goals. Many of these strategies revolve around terms you all know, de-carbonization, electrification and energy efficiency. And today I'm going to be speaking with Misha Mahar at Deloitte Canada to explore some of these methods in the changing energy landscape. So welcome to changing the way we use energy. Misha welcome, how are you today?

**Misha:** Good, thank you. Thanks for having me Bonnie

**Bonnie:** Delighted. I can't wait to learn from you and have a conversation with you. Misha, would you kindly introduce yourself to our listeners and tell them a little bit about who you are, what you do, what your role is and what makes you an expert on this topic? Welcome Misha.

**Misha:** For sure. I'm a manager here in strategy and business design at Deloitte. I graduated from Waterloo, structural engineer and I spent most of my time in engineering consulting learning all the technical details. I've had an awesome opportunity to travel the world, see different communities, see how other people live outside of Canada, which has been great. With my experience I've primarily been in mining and metals which has really opened my eyes in terms of another industry we're not really exposed to day to day and it's been a journey for me, for sure to really embed myself and learn about the industry. And I'm very excited about where it's going, these days. So along with that I'm working now with clients to really develop technology roadmaps, operating models, their strategies for de-carbonization, helping them through this challenging time. And I'm really passionate about it because we together and we're facing these challenges, which we may not know how to answer right away right now. But what makes me really passionate about it is because we're doing good. We're making positive change and we're figuring it out together. It's

not as simple as copy paste what we've learned before. So I mean, we need to tackle this journey together and that's kind of what's making me super excited.

**Bonnie:** Thank you. And super excited is key to this Misha because we're looking for people who are passionate about it. That's how we share the enthusiasm, the excitement. It's not just, oh, we have to do this, as yes, let's do it. We're all going to benefit from the change. Am I right about that? We're all going to benefit. Absolutely. It's for the good of everyone. So Misha, I asked you to please send me a quote from a fictional character in a movie or a TV series and you picked a really good one. It has on the surface, absolutely nothing to do with our topic. And that's why I asked you to select it. And you're going to tell us in your own words, what it means for our topic. So you have picked a quote from Michael Scott, full name, fictional character, Michael Gary, Scott, people they say, oh, I know who that is. That's the protagonist in the series, The Office.

An American mockumentary sitcom TV series on NBC TV here in the states from 2005 to 2013, it went on for nine seasons and The Office depicts the everyday work lives of employees in the Scranton Pennsylvania. My mom was born there by the way. Branch of the fictional Dunder Mifflin paper company. And it was based on a 2001 BBC series created by rich Ricky Gervais and Stephen Merchant. So here's the quote "and I knew exactly what to do, but in a much more real sense, I had no idea what to do." I assume he threw his hands up when he said that. Steve Corral, wonderful actor, go ahead, Misha. What does this mean to our topic today?

**Misha:** You know what, as with everybody else, I'm sure during the pandemic, everyone went on binge watching series and this was one of them for me. And I didn't appreciate it when it had come out initially, but I really appreciated the show when I watched it a year or two ago now. But the reason why I love this quote is because a, the persona that's actually speaking to. I think Michael Scott, he's all about like being positive, corralling the group together, having a great dynamic between the team. Like that's his real intention. I mean, it may not come off that way. And the quote speaks to him very clearly in terms of, you know, he knew exactly what to do. Like he knows his intention, but you don't really know what to do. And I think in the de-carbonization journey and energy management space, it's very similar. I think that, you know, we have such a complex problem with so many stakeholders. Everyone knows what's better for our climate. I mean, Al gore put some fear in us a long time ago.

**Bonnie:** Yes he did. That's right.

**Misha:** And I still remember, you know, that last left such a lasting impression. Now you look at it today is that we all knew exactly what needed to get done, but how do we do it? So I think it's so fitting for the challenge that we're all

facing together and how like we can't do this in a silo. So how do we figure out how to actually execute, how to make it happen? And I think this quote speaks perfectly to it.

**Bonnie:** It does because we don't have all the answers do we Misha. This is an ongoing process. As you and I are speaking and as people hear what you have to say and hear your expertise on this topic, they will hopefully get inspired, leaders in companies, your colleagues at Deloitte Canada. Let me get on the bandwagon, let me join people like Misha and do something about it. But we don't have all the answers if we did, it would be easy, but it's not easy because we don't. So that's a little bit of a conundrum. Misha you've sent me some very interesting topics we're going to dive into here in our conversation. And there's one that stood out for me that I really want to talk about. You say the green consumer persona. I like you to describe who is that, is that somebody, you know, somebody I know. It's becoming prominent across industries, you say you see it, we see it evidently in retail, but it's also taking shape in energy, resources and industrials. Misha.

**Misha:** Yeah. I think that, you know, I have such a good example because it was a birthday, I was buying something for someone and I got this gift of the shoebox from Nike and on the shoebox, it wasn't their logo. It just said, you know, this is our goal towards net zero. We've all bought Nike shoes before I'm sure at some point, but it was the first time I saw such bold packaging and branding. And I just thought, you know, this is other than public announcements, you know, different types of commercials that companies are making, their packaging is now reflecting it. You know, how they're selling clothes. You would see at different companies, you'd see a little green leaf of, you know, sustainably sourced materials, things like that. And I think that we see that on our day to day as a consumer.

And I'm sure Bonnie you have some good examples too, of what you've seen as well. But now we're really seeing that with our clients, in ERNI, you know, you're looking clients are coming to us saying, well, the person that's buying this material for me wants to know if it a green material, where did it come from? What was the carbon footprint? So now you're looking at that consumer persona, which I think is all of us in a way, and we're slowly converting, some more than others. But now you're seeing that translating into clients and customers in different industries which you wouldn't necessarily expect.

**Bonnie:** Very interesting. Yes. And Misha, you mentioned I might have some examples. For me it's something as simple as becoming aware through my radio guests, I host a series for many different companies and listening to them talk about it. And interesting. I did a show a couple of years ago on what's for lunch, blockchain and tuna sandwich. And we were talking with one of the executives in a major fish company, about the need for the Providence of how

did that food get to my table and who handled it and was it safe along the way? And what kinds of resources were used in the farming of that tuna and in getting it to a store and handling it and refrigerating it and traveling it and packaging it and cutting it and putting it in a can or on a shelf or in a, in a package in a supermarket, a seafood department.

And it was interesting to me that by listening, I'm learning as a consumer what I need to know, and we talk about technologies and one of your colleagues said on another episode of this Zero-In podcast, technology is not the silver bullet, but it certainly is a way to help us get to that point of net zero emissions and better. So, any thoughts about does blockchain come in? The fact that people are talking about these technologies and they sound exciting to us, and they sound like there's so much for me as one consumer to learn if I listen and I'm aware of these technologies and what they can do for us. What are your thoughts on that Misha?

**Misha:** I think that that's such a relevant space, not only in ERNI where I do most my work, but across all industries, it's really understanding the source of your product and how it's moving along. And there are a number of startup companies, you know, with peers from other companies that I've worked with that are looking now at building that identity or unique identifier for a product as it goes through the life cycle. And each product will have its own unique attributes. And it will have to keep building it and get people on board because you can't build a supplier portal, or you can't build this identifier without buy-in from each company that touches that product. So I think that's the challenge that we're facing there is that great, everyone wants this green product, but you have to have like, you know, Europe you have to have Asia, you have to have different cultures and systems that cooperate together and give you that information and allow you to use it or that green consumer.

**Bonnie:** And Misha I noticed in your notes you talk about green energy vehicles. I'm not going to ask you what you drive, and I'm not going to tell you what I drive. It's the beginning of 2022, innocent until proven otherwise. But my point is, do you think that the popularity will be, oh, I have a cool green energy vehicle? Or do you think there will be this feeling that I'm contributing to the environment to saving the planet if I switch away from a gasoline engine and heavy emissions vehicle to something that's green, do you think this will help to move us forward? What's your thought?

**Misha:** So I think that that's a really good question because I find that hybrid vehicles have been around for some time, right. And people understand, okay, this is like good for the environment. This is good for my wallet, all of the above. But I find that even though they've been around for so long, I don't see, the uptake of people now is very different. And the reason for that is because I think companies have started to build those cool cars. You know, like Porsche

has an electric vehicle. You have Rivian who have these awesome trucks for outdoors kind of people that like to go camping and spend the weekend in the mountains. So I think they're really targeting now, not only someone that wants to be environmentally friendly, but also people that have other priority or want a vehicle to speak something else to them. Right. So I think they're making it possible to get it all in one and also be socially responsible as well, which is quite interesting. So I think that now the uptake is going to be totally different compared to what it was when, you know, there have been all these hybrid vehicles already available to us. What are your thoughts?

**Bonnie:** Well, there's nothing wrong with having a cool car. I'll tell you that. But the question is, and I used to do a show called for SAP called the future of cars. And I always ended the show Misha asking people in the next five years will you probably have your own keys in your pocket or on the table by your door to drive your own car. Now we weren't talking electric vehicles. We're talking about car sharing, ride sharing. We're talking about the subscription model, two vehicles. We were talking about autonomous, which are not here yet. They are not safe yet. They are not ready. But one of the sponsors at SAP called it we will be the human cargo in the back of the car when the car is self-driving. So I think there's an excitement in the automotive world. You mentioned Rivian, the car shows are still around and people are excited.

We just need batteries and chips right now, right. That's the problem with supply chain. But the point is, if this is a way for people to enter into, I want to be part of stopping climate change. I want to be part of zero emissions. I want to part of this movement that Misha is talking about and a car is a way to do it. Then I think it it's great that we can have something we can buy. And it's obvious when you drive a car that's a green energy vehicle everybody sees it, right. Oh, look, look, they're part of this movement. I think it, whether you can afford it or not is a different of thing. But I think it's the visibility and the consumerism, if they go hand in hand with green, I think it's a good thing. I really do.

**Misha:** Yeah, I really do. And I think there's, you know, there's a matter of there are a lot of people in this world and you've got to educate all these people and what's an easier way to do it than, you know, having the right marketing, making it something more. Making it exactly what they're looking for, but you have a more sustainable option that you're choosing and, you know, a more digitally advanced and has all the bells and whistles. I think the car market's doing a great job trying to get people on board. So I think from that end and even retail, you know, when it comes to, you know, clothes and products you buy like skincare products, things like that. I think they're doing a great job. I think the, you know, you're speaking about autonomous vehicles and I think, you know, in mining and metals, they are already putting that underground, like autonomous vehicles for safety reasons. And it's only a matter of time

where you're talking about your previous conversation, where that becomes a reality for us as well.

**Bonnie:** Absolutely. And I was going to talk to you about mining and metals next, and I'm glad you brought that up, but I want to move to farther down in the statements you sent me, we have a few minutes left Misha. You say, looking at Deloitte's tracking the trends in each industry. You can see the shift in priorities for of this year 2022. And disclaimer, we are just past the halfway point in January, 2022, and I'm speaking with Misha. ESG is at the top of the list. It's important to learn from tech companies, for example, what initiatives they are driving. There's that driving word where we just talked about cars, we didn't plan that and what their investment is as compared to their in missions. Talk a little bit about tracking the trends, Misha, what do you see?

**Misha:** Yeah. So I think that, you know, last year when we were looking at mining and metal specifically, the trends were all across the board, mostly, you know, there were some to do with ESG. There were obviously a lot to do with Covid, and managing this hybrid workforce, changing, transforming your business, to deal with Covid. But now you're looking at, when you're looking at the trends in the industry it's very much focused on de-carbonization, energy management, climate change and breaking that down into smaller components and how companies can tackle it. Because those are the questions that companies are asking now. Like what is the technology framework that I need to actually make these real time decisions? Because great, I understand that I have this one sensor on a vehicle, but how do I actually use that sensor to make smart decisions about how I am using my energy grid, where I'm pulling power from?

Can I afford to use maybe not a sustainable solution for a couple of months or a couple of hours in a day? Like we want to get to that level of analysis and real time decision-making so that companies can be efficient and still operate and still make money, still have a viable business case in what they're doing, but also think about how they're impacting the climate and their social responsibility that they've committed to. Those trends are only, we saw coming out at the end of last year, but now you're really going to see people starting to execute on them, which is quite an exciting space across and learning from the tech companies like you said.

**Bonnie:** Thank you. And I want to wrap up with a very important statement you sent me Misha. You say, I think we, and you're talking you and your colleagues living in Canada are at a position to be leaders. You're talking about social responsibility, just briefly tell us how please.

**Misha:** I think that we are, you know, we have the economy, the resources, we have a big companies here and have the money to spend in a way. And the

relationships to leverage in Canada being one of the global leaders in order to make decisions, you know, provide tax incentives, really promote businesses, call in people, call in resources into our country to help build our view, help build our companies, help build our offering and how we can help other countries. Obviously across the world, everyone has different challenges, but if you're able to put the time and resources then you should definitely put your time and resources into climate change because it affects us all. And I think we all have a different part to play. And in terms of driving the change, I think Canada's one of the leaders doing that and we need to. Our companies are definitely showing that in the way that they're committing to net zero.

**Bonnie:** And you're doing it in the way, you will inspire people who hear you speaking with me today, Misha with your energy and your passion for the topic and your commitment as well. I've learned from you. I appreciate you. And we need more thought leaders like you, Misha and your colleagues at Deloitte Canada, who are involved with the Zero-In podcast to get the word out, that it can be cool and it can be fun, but we all have a part in this, a responsibility. Approach it any way you need to, but help to move it forward so that we achieve what we need. And we can sustain the planet. Misha, it's been a pleasure. Let's, I am full disclosure, I'm on zoom. I can see beautiful Misha and we are looking at each other, which makes this even more fun for me. So Misha, thank you very much and thank you to Vanessa Smith, our show runner at Deloitte Canada and everybody else involved behind the scenes, Bonnie D signing off.

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