

Industries of the Future

Quality of Life



A better quality of life for all is the ultimate goal of sustainable development. Quality of life is about happy, healthy and ethically responsible living for individuals, families and communities. Increasing awareness of the downside of modern lifestyles is prompting more and more people to place greater priority on the health, ethical and environmental dimensions of consumption, stimulating an array of new markets.

The challenge

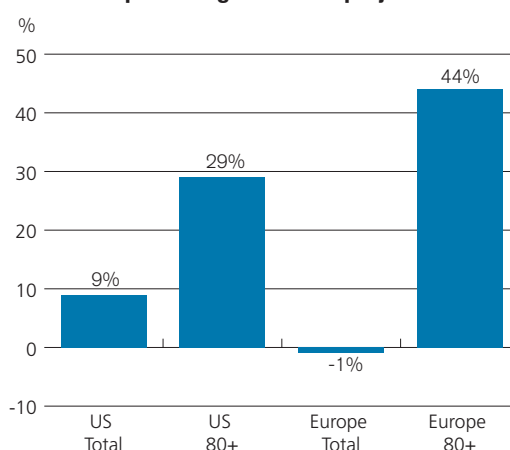
- In 2005, the World Health Organisation (WHO) projected that 1.6 billion adults were overweight and at least 400 million adults were considered clinically obese. It projects that by 2015, 2.3 billion adults will be overweight, and more than 700 million will be obese.¹
- People are increasingly concerned about the quality and safety of food and products they purchase. In agriculture, around 31,000 tonnes of chemicals are used in farming in the UK each year to kill weeds, insects and other pests that attack crops. Of the 350 pesticides available, 150 have been identified as potentially causing cancer.² Numerous studies have found pesticide residues in up to a third of food, including residues of more than one chemical.³
- The population in the western world is ageing. The UN forecasts the European population aged 85+ will grow at a 5.6% compound annual growth rate (CAGR) in 2005-10, and by a rate of 2.8% to 2050.⁴

Markets & drivers

Increased consumer demand for healthier, safer products, combined with tightening environmental and health regulations are creating opportunities for companies to deliver products and services that cater to these growing trends. Also of great significance is the increasing demand for housing and social care services, while greater female participation within the workforce is changing family structures, requiring solutions that enable women to have families while continuing to work.

- Global demand for organic products continues to grow, with sales increasing by over US\$5bn a year.⁵
- The US market for elderly living solutions, which encompass nursing and housing related services, totals over US\$140bn.⁶
- According to International Health, Racquet & Sportclub Association (IHRSA), in the year 2007, the projected number of frequent health club attendees (100+ days a year) totalled 16.2 million members compared with 15.7 million in 2003.⁷

Chart 1: Population growth rate projections 2000-2010



Source: US Census Bureau, in presentation material from Sunrise Senior Living, 20 May 2008



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“ There [is] a tremendous synergy between the measures and urgency needed to tackle climate change, and the pressing need to transform the environment for diet and physical activity. ”

International Obesity Taskforce, February 2008⁸

Investment opportunities

The Quality of Life theme focuses on companies whose goods and services promote sustainable and healthy lifestyles among all age groups, including children and the elderly. This includes companies in the following sub-themes:

- **LOHAS (Lifestyles of Health & Sustainability)** – providing solutions that promote physical and dietary wellbeing, as well as respond to growth in green/ethical consumerism
- **Social care & support** – providing solutions for the care of the most vulnerable in society, including the young and the elderly

Examples of companies within the Quality of Life theme include the following:

- **Care UK** (UK), a provider of social care solutions for the elderly and those with specialist needs
- **Orpea** (France), a French company producing long-term care for the elderly
- **Wessanen** (The Netherlands), a food company offering organic and natural foods

Notes:

1 WHO Factsheet No. 311, September 2006

2 The Soil Association website: www.soilassociation.org

3 <http://www.organicconsumers.org>

4 Goldman Sachs, 'A good time to care: initiating on five companies in the nursing home sector', March 2008

5 The World of Organic Agriculture: statistics & Emerging Trends 2008.

6 Sunrise Senior Living Company presentation, 20 May 2008.

7 IH RSA website, as of December 2009.

8 "World leaders challenged to agree a global pact on obesity and healthy nutrition" press release, International Obesity Taskforce, 17th February 2008 <http://www.iotf.org/media/iotf170208.htm>

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