



Business of Sustainability Index

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A letter from Pete Davis, Founder and CEO of GreenPrint.

Sustainability and climate change are high on the agenda for the government and many corporations this year. The Biden administration has discussed imposing new rules that would require companies to disclose the financial impact of climate risk on their businesses. But it's not just regulators that are asking companies to be more sustainable. Consumers are making it clear that they expect the companies they support to be environmentally friendly if they want to win their business in the months and years ahead.

At GreenPrint, we believe attaching business value to environmental action benefits our planet and our communities. For the past seven years, GreenPrint has been monitoring consumer sentiment towards sustainability through a host of custom programs we run with our partners around the globe. We're pleased to present the results of our first

consumer study, "The Business of Sustainability Index." This index and its future editions will track sentiment around sustainability in the economy—how climate consciousness impacts consumer preference and perceptions of companies and their products, as well as the overall effectiveness of the sustainability benchmarking ecosystem across various sectors and demographics.

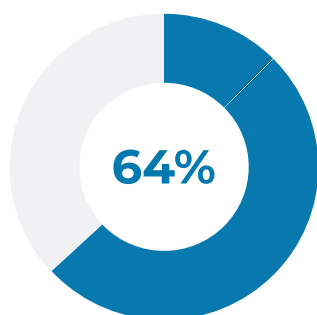
Companies must build trust and loyalty by clearly demonstrating that they share environmental goals with their customers and are taking action to achieve those goals. Defending and preserving our planet is not only the right thing to do, it's good business. Companies that are able to navigate the business of sustainability will be best positioned for future success. We look forward to the opportunity of connecting with you to learn how we can help your business drive growth through sustainability.

Pete Davis

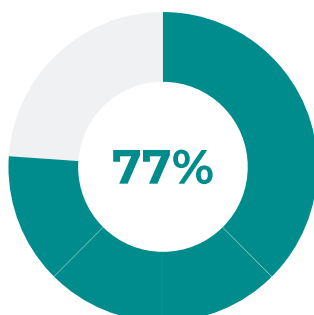
AMERICANS WANT SUSTAINABLE PRODUCTS

Americans want to make environmentally conscious purchasing decisions, but most aren't sure how.

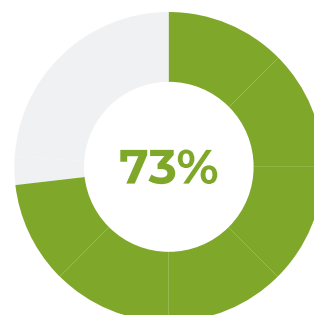
Two thirds of Americans are willing to spend more on sustainable products. Our survey finds that the demand is there—but many companies are failing to capitalize on it.



Nearly two-thirds (64%) of Americans are willing to pay more for sustainable products.



More than three-fourths (77%) of Americans stated they are concerned with the environmental impact of their products.



Another 73% of Americans use a product's environmental friendliness as a factor in their purchasing decision.



78%

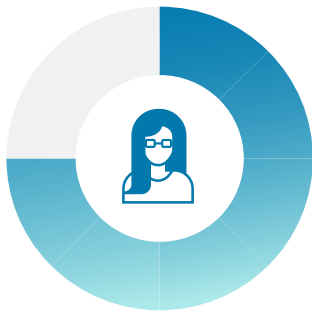
of people are more likely to purchase a product that is clearly labeled as environmentally friendly, but...



3 out of 4

Americans (74%) don't know how to identify environmentally friendly products.

Millennials are by far the most likely generation to be willing to pay more for a product that is environmentally sustainable.



75%
of Millennials expressed
willingness to pay more
for a product that is
environmentally sustainable

vs



63% of Gen Z



64% of Gen X



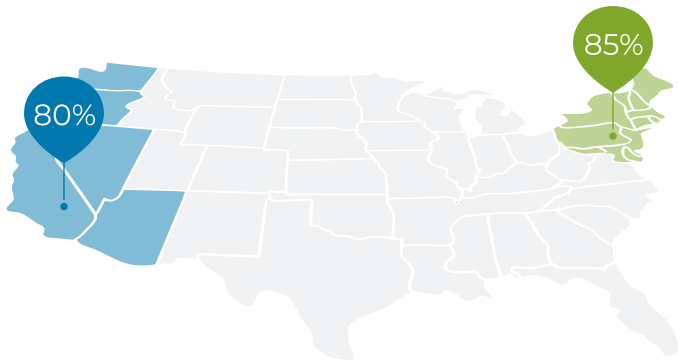
57% of Boomers



Interesting to note...

Somewhat surprisingly, Gen Z is the least likely generation to purchase a product labeled as environmentally friendly over a competitor.

73%
vs an average of
79% across other
generations



Location also matters

The Northeast (85%) and West (80%) are the most likely to buy based on environmental labelling.

Action Steps

Be Clear & Transparent

Environmentally friendly products should clearly communicate on the package in addition to integrating specific information (including sustainable processes and methodologies) into product websites, social channels, and all collateral.

Make It Easy

Certified offsets can be used in conjunction with a product-level LCA (Lifecycle analysis) to immediately neutralize a product's environmental footprint. Promoting these things can make it easy for the customer to recognize a more eco-friendly product.

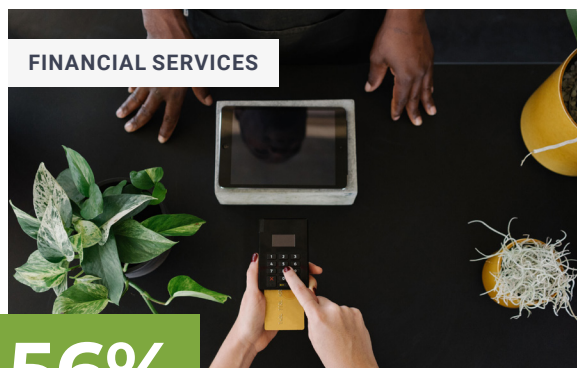
Use Segmentation to Educate

Tailor sustainability messaging by channel to effectively reach key customer segments. For older generations (Boomers and GenX), include radio, Facebook, and YouTube. For younger audiences, look to video and personalized streaming services.

A lack of trust complicates the desire for Americans to buy sustainably.

Americans want to help fight climate change through carbon offsetting and business decisions, but they don't usually believe companies claiming to be environmentally conscious.

Opportunity is out there...



More than half of Americans (56%) would use a credit card that was able to calculate and offset the environmental footprint of the products they purchase, even if it entailed extra fees.

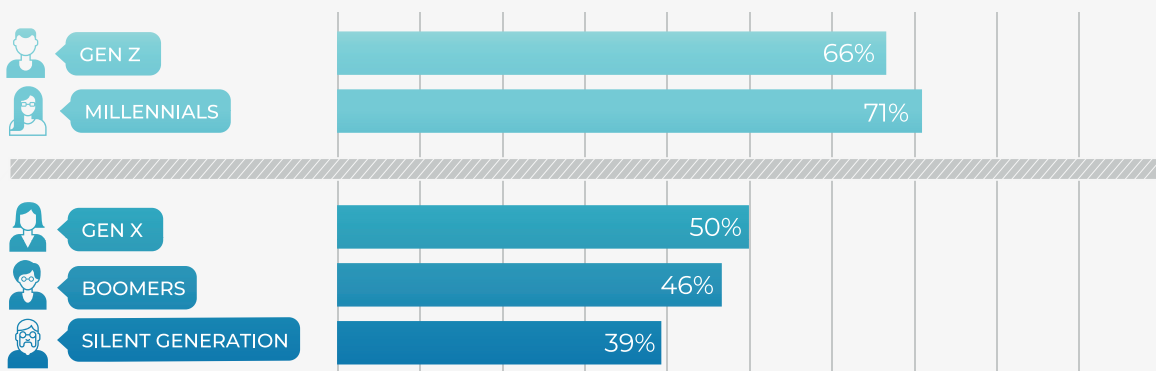


Three-quarters of Americans would switch gas or packaged goods brands if they were offsetting emissions.

FINANCIAL SERVICES

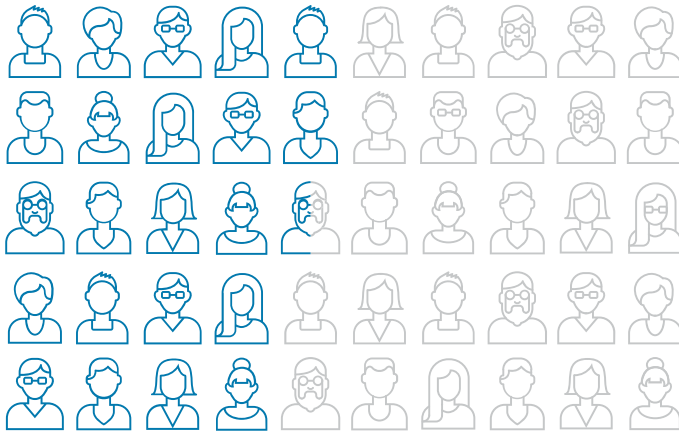
But there is a massive generation split here.

71% of Millennials and 66% of Gen Z say they would use a carbon offsetting credit card, compared with 50% of Gen X and under half of Boomers and Silent Generation (46% and 39%, respectively).



Most Americans are suspicious of corporate sustainability claims.

Americans want to fight climate change through their buying power, but many simultaneously do not trust companies' claims to environmental friendliness. So, even if they switched to a credit card claiming to offset their purchases, would they believe the credit card company?



Third-party validation is key

To validate if a company is indeed sustainable, 45% of Americans need a third-party source—significantly higher than those who said an annual report (28%) or a speech from the CEO (11%).

How do the demographics stack up?

Nearly 4 in 5 (83%) people surveyed would trust some form of validation, with men more trusting than women by 7 points.



79%
of women are
somewhat to
very trusting

vs



86%
of men are
somewhat to
very trusting

Action Steps

Build Trust Through Partnerships

When building a product or company-wide sustainability strategy, develop partnerships with vendors, agencies, and NGOs that have a track record of success. Check references, credentials, and client lists.

Use Guidelines & Standards

Brands can leverage The Federal Trade Commission's Green Guides to help them avoid making environmental claims that mislead consumers. For guidance on reporting, brands can consider using GRI standards, the most widely recognized reporting resource.

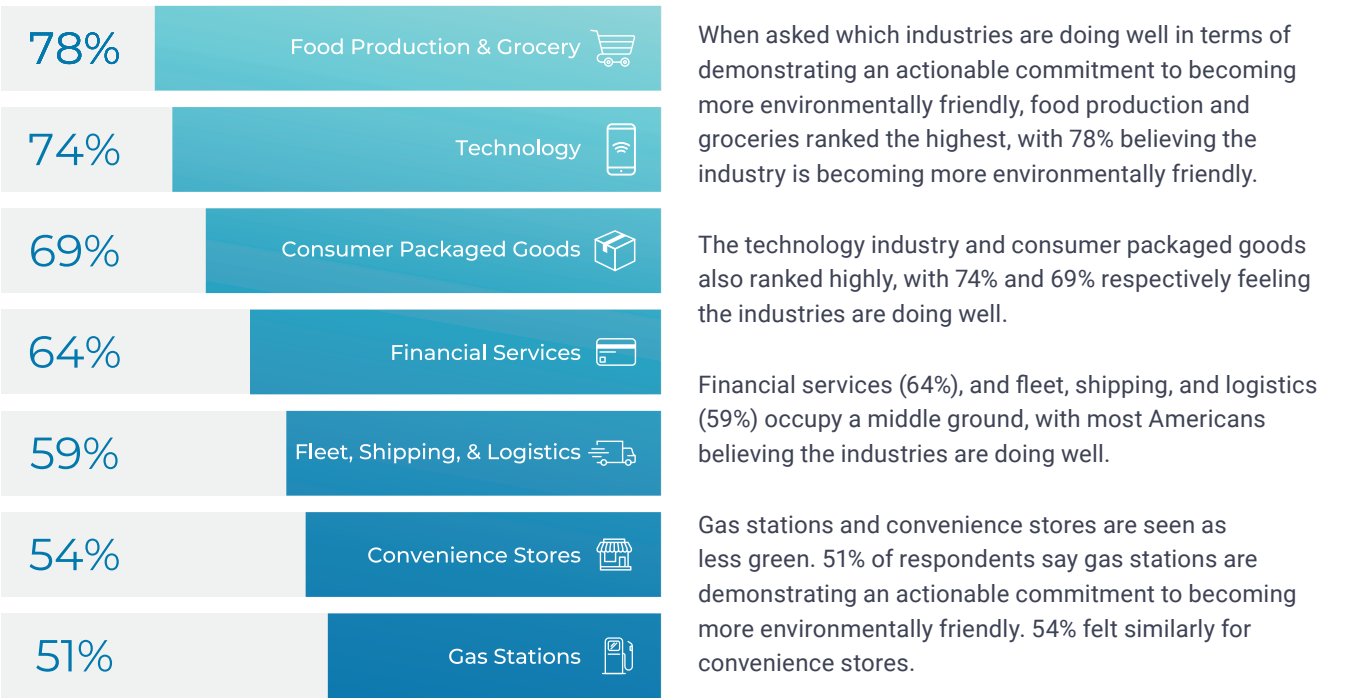
Highlight Your Sources

The sustainability landscape is mostly voluntary, making it decentralized and cluttered. Brands should include sources, links, and progress metrics associated with all relevant third parties managing and facilitating environmental footprint mitigation.

Americans rate the food industry as the most environmentally friendly sector and gas as the worst.

There are clean breaks between sectors in terms of how Americans think different industries are working to become more environmentally friendly. Industries like gas stations and convenience stores universally received poor marks across demographics, while sectors like food production and groceries, technology and consumer packaged goods fared well.

Breakdown of environmental-friendliness by industry



Action Steps

Food/Tech/CPG

While these industries ranked higher than others, there is still room to improve. Understanding and managing greenhouse gas (GHG) inventories will help these industries continue to decrease their environmental footprints.

Financial Services/Shipping/Logistics

The transportation sector makes up 28% of U.S. GHG emissions. While decarbonizing the industry is the ultimate goal, there are several things these sectors can do immediately including offsetting combustion vehicles and ensuring EVs run on green energy sources.

Convenience Stores & Gas Stations

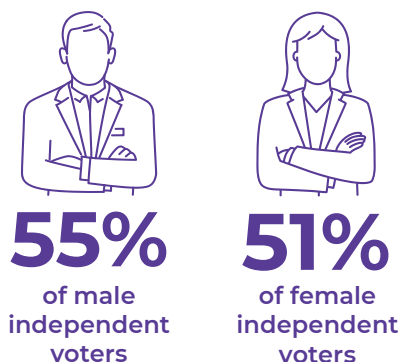
For fuel and convenience retailers, offsetting customer's tailpipe emissions, powering stores with renewable energy sources, and supporting local community greenspaces shows a commitment to working towards a more sustainable future.

Democrats and Republicans think finance is going green, but Independents strongly disagree.

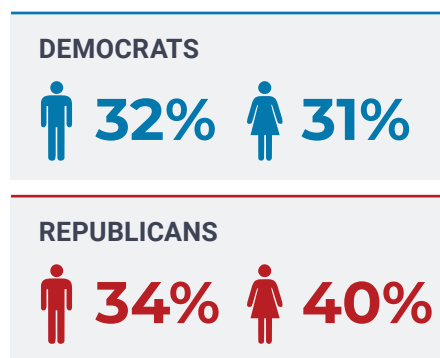
Even in today's divided climate, Democrats and Republicans held similar feelings toward the financial services industry. However, independent voters noticeably split from the population, holding an unfavorable opinion on the sector across genders. This is interesting considering the large split between Democrats' and Republicans' willingness to use a carbon-offsetting credit card or switch brands based on sustainability.

Independent voters aren't convinced...

Although a smaller sample size, Independent voters do not believe financial services is doing well, with 55% of men and 51% of women rating the industry negatively.



VS



68% of Democrats
45% of Republicans

FINANCIAL SERVICES

Further along political lines, Democratic respondents were far more interested in carbon offsetting their purchases through a specialized credit card compared to Republicans.



68% D
45% R
71% I

FUEL & CPG

Respondents all showed support for switching to a climate neutral gas brand, with Democrats expressing significantly more interest. The same is true for switching packaged goods brands.



83% D
67% R
77% I

Action Steps

Financial Sector & Inclusivity

When people recognize themselves in messages, they're more likely to respond. The financial sector should consider engaging audiences using inclusive language, images that represent modern society and illustrate clear and positive environmental action.

Create Shared Value

Customers will put different levels of importance on product attributes based on their values. If brands can connect with customers on a shared value around sustainability they can increase brand loyalty.

Journey Vs. Destination

It is important not to overstate where a brand stands when it comes to its sustainability journey because there will always be more that can be done. Brands can continue to build trust through honest, transparent, and thoughtful communication.



Methodology

The Business of Sustainability Index was conducted in collaboration with Directions Research. The data from this Index was collected from an online survey fielded from February 15 to February 16, 2021, among a demographically balanced nationally representative sample of 1,017 U.S. adults 18 years of age and older. To ensure a consistent and accurate representation of the U.S. general population 18 years of age and older, data was weighted by the following variables: sex, age, geographic region, race/ethnicity, and education.

About GreenPrint

GreenPrint is a global environmental technology company, offering sustainability as a service with patent-protected programs that deliver environmental impact and bottom-line results. An Inc. 5000 company, Deloitte Fast 500 company, and a member of 1% Percent for the Planet, GreenPrint's turnkey offerings help companies meet sustainability goals while increasing brand value and customer loyalty – making it easy for businesses to do well by doing good. GreenPrint, A Public Benefit Corporation, is on pace to offset over 30 million metric tons of carbon by 2025.

For more information visit: greenprint.eco and follow us on [LinkedIn](https://www.linkedin.com/company/greenprint/).

To talk with one of our solutions experts to explore any of the action steps outlined or to get more general information, contact us at solutions@greenprint.eco.