

KANTAR

Sustainability in the Time of COVID



What is keeping our clients awake at night?



What are the Sustainability issues that are most important to consumers in relation to my sector?



Which issues does my company/brand have the right to align ourselves with?



Who should we target, how do we reach them and what should we say?



What Purpose can we uniquely and authentically claim that is motivating to our various stakeholder audiences?



Which sustainable products and services should we develop to realise white space opportunities in our category?



How do we translate stated consumer/citizen values into behaviour change?

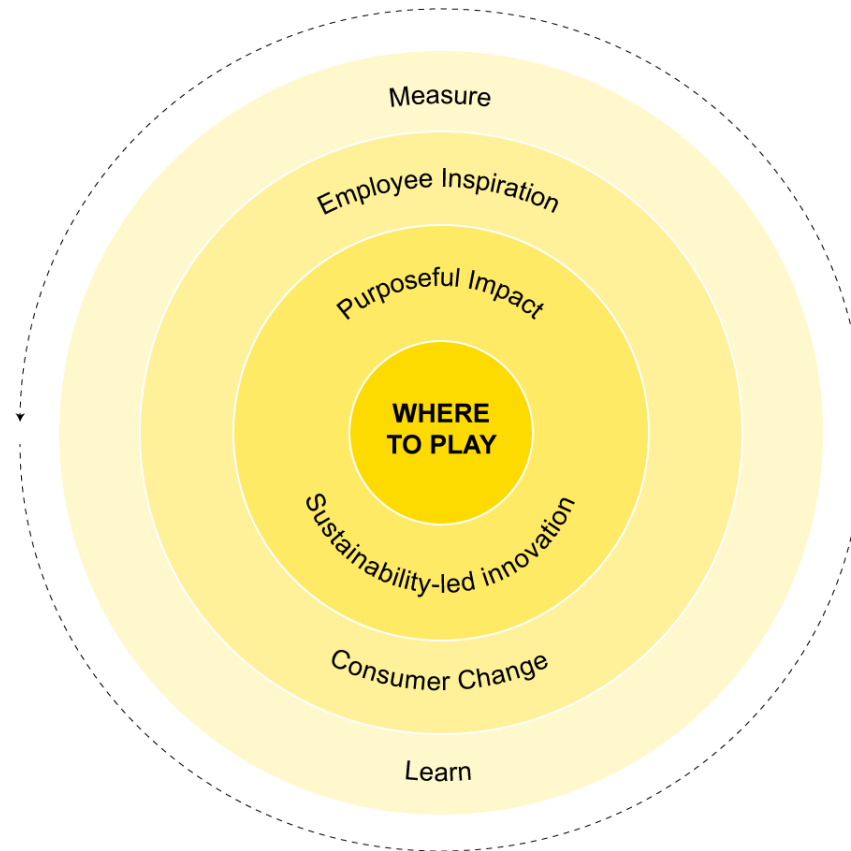


How do we harness the power of employee passion behind our Purpose?



How do we measure our progress on key issues relating to corporate reputation, brand equity and sales?

Kantar Sustainable Transformation Framework



1. Where to Play

Defining the social/environmental issue that we have the right to solve authentically.

2. Purposeful Impact

Creating and communicating meaningful, enduring Purpose to unleash impact.

3. Sustainability-Led Innovation

Anticipating disruptive change and developing the relevant portfolio.

4. Consumer & Citizen Change

Understanding and unlocking commitment to change.

5. Employee Inspiration

Inspiring purposeful employee change agents.

6. Measurement & Learning

Benchmarking, ongoing metrics and strategic feedback loop.

The impact of COVID on Sustainability attitudes

"I actively seek out companies and brands that offer ways to offset their impact on the environment"

Pre-COVID

TOP 2 BOX	30.5%
BOTTOM 2 BOX	32.1%

COVID

TOP 2 BOX	49.3%
BOTTOM 2 BOX	14.0%

"I am prepared to invest my time and money to support companies that try to do good"

Pre-COVID

TOP 2 BOX	39.6%
BOTTOM 2 BOX	18.6%

COVID

TOP 2 BOX	41.00%
BOTTOM 2 BOX	14.60%



Building resilience
out of disruption

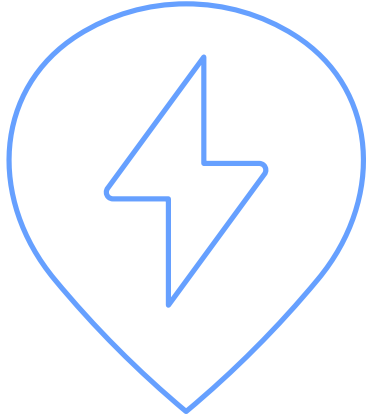
Focus on the right 'D'

disruption

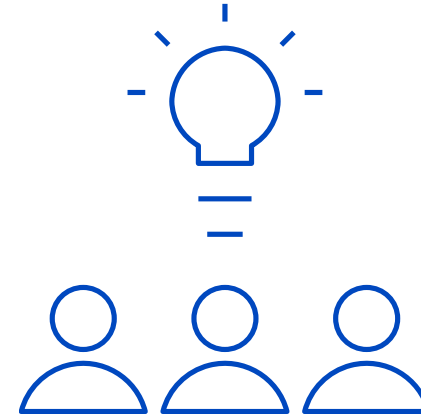
NOT

d i s e a s e

The good news...



**We know how
disruption works**



**We can anticipate
what we need to do**



The good news...

What disruptions do is
*to clear the way for
underlying trends to
become mainstream:*

**to dominate the next
wave of opportunity**

‘The Era of the Public’



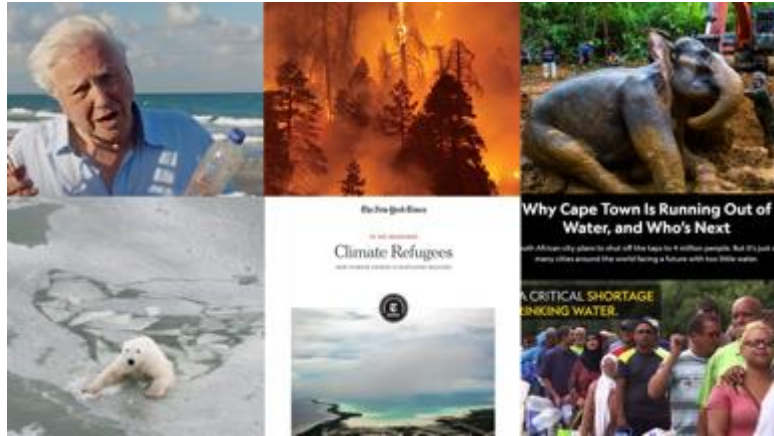
FROM a better self



TO a better society

Reading the tea leaves

Sustainability got closer to home



Consumers, citizens and employees took action



Businesses started to place sustainability as a #1 priority

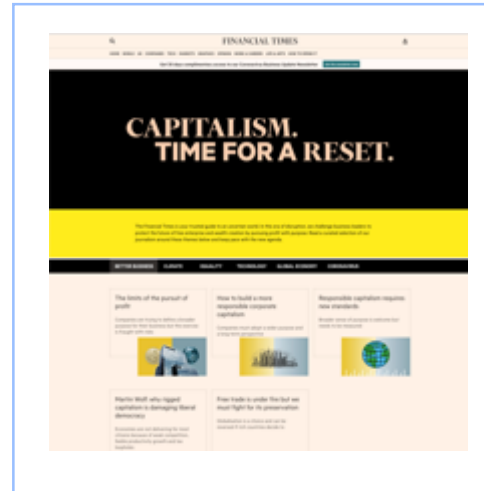


The Business Roundtable lobby group of **181** of the US's biggest companies recently **redefined the Purpose of a Corporation**, from shareholder primacy to a commitment **“to lead their companies for the benefit of all stakeholders – customers, employees, suppliers, communities and shareholders.”**

This isn't about altruism

“ The good thing is that, next to our moral obligations to address the global challenges, it is also an **enormous business opportunity**. Sustainability isn't just the right thing to do, it is **essential to drive business growth**. ”

Paul Polman,
Former CEO of Unilever
and Chairman WBCSD



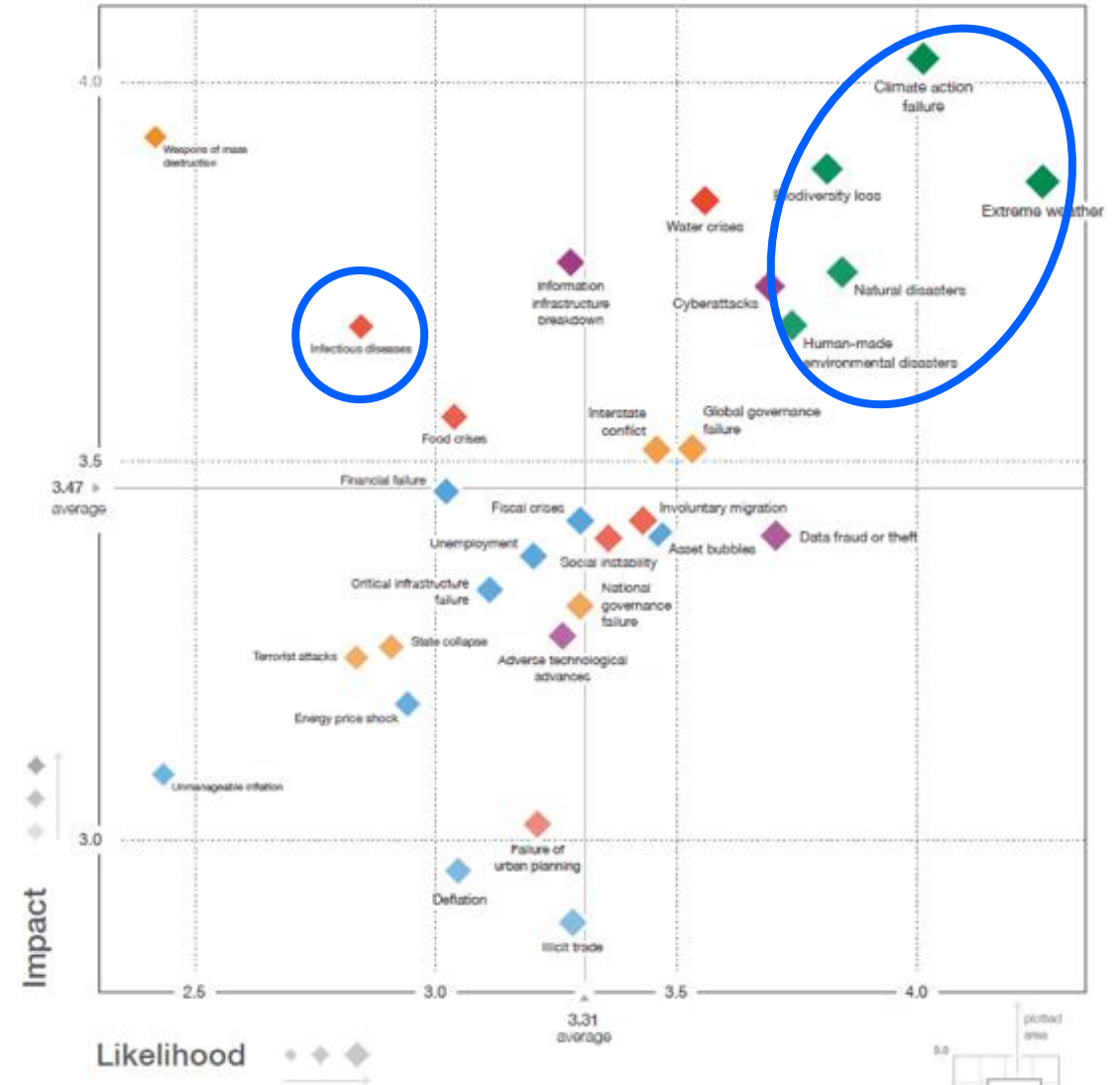
“If some companies and industries fail to adjust to this new world, they will fail to exist.”

Managing Risk and Volatility

“For the first time in the history of the survey, *climate-related issues dominated all of the top-five long-term risks...*

The near-term impacts of climate change add up to a *planetary emergency that will include loss of life, social and geopolitical tensions and negative economic impacts....*

Coordinated, multi-stakeholder action is needed quickly to mitigate against the worst outcomes *and build resiliency across communities and businesses.*”



Building Resilience

Between 2006 and 2010, the top **100** sustainable global companies experienced significantly higher mean sales growth, return on assets, profit before taxation, and cash flows.

During the 2008 recession, companies committed to sustainability practices achieved “above average” performance in the financial markets, translating into an average of \$650 million in incremental market capitalization per company.

Additionally, companies with superior environmental performance experienced lower cost of debt by **40-45** basis points.

Revenues from sustainable products and services grew at six times the rate of overall company revenues between 2010 and 2013:



GE's Ecomagination division has generated \$200 billion in sales since 2005.



IKEA's line of sustainable products (eg, LED bulbs and solar panels) from its Products for a More Sustainable Life at Home now generate a billion dollars.

HBR: The Comprehensive Business Case for Sustainability, 2016