

Sustainability: *The State of Play*

GlobeXChange Briefing

February 27, 2023



Know your world.
Lead the future.

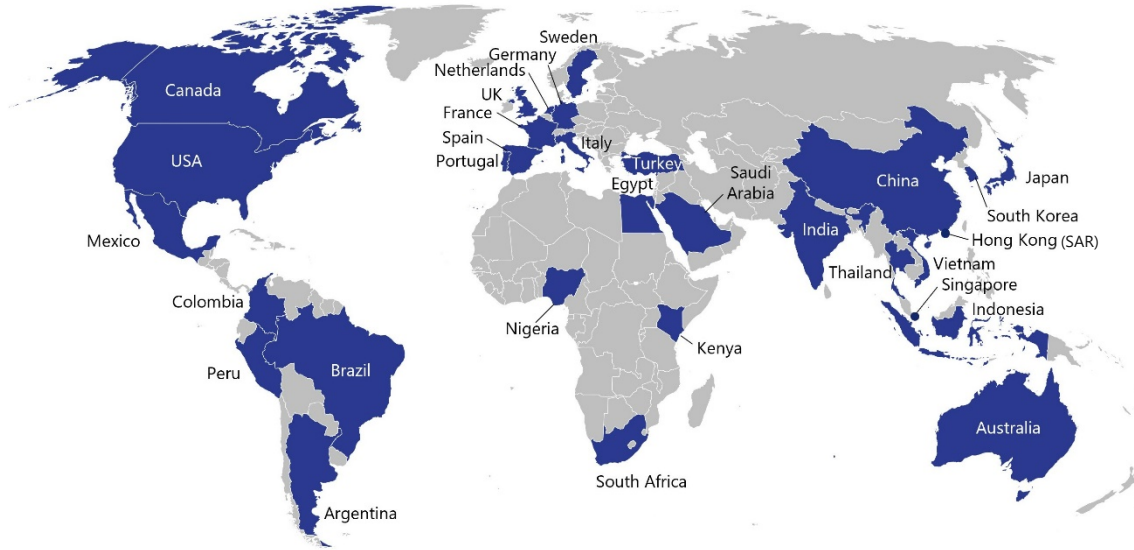
Agenda

1. Consumer trends
2. Stakeholder perspectives

Our Healthy & Sustainable Living Program

Participating Countries

2022



Design Partners

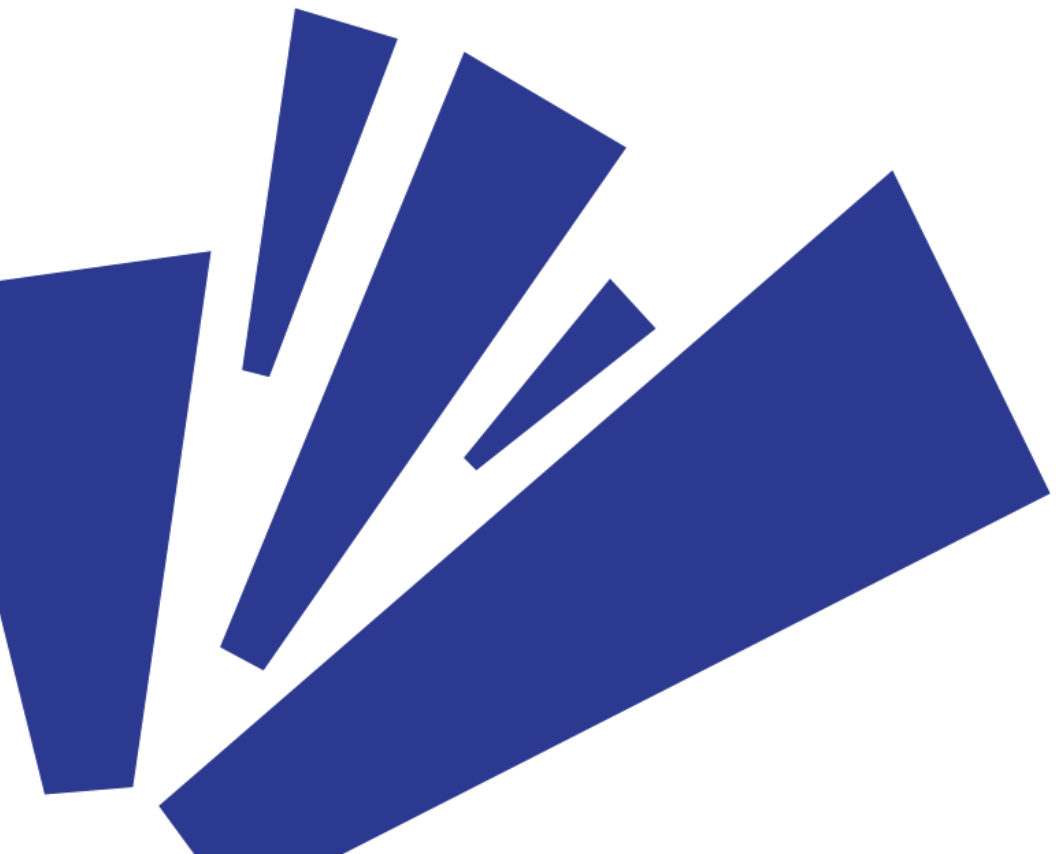
R22_particip_map



M&C SAATCHI GROUP



- Representative online samples of approximately 1,000 adults in each of 31 markets (1,500 in USA, 500 each in Hong Kong (SAR), Kenya, Nigeria, and Singapore, and 850 in Egypt) ($n=29,293$)
- Samples representative of online population, weighted to reflect general population census data
- Online surveying in June and July 2022
- Survey has been running each year since 2019 in the same markets, with Colombia, Netherlands, Peru, and Portugal being added in 2021 and Egypt being added in 2022.
- Where historical data are shown, questions were asked using an in-person and telephone methodology before 2019.

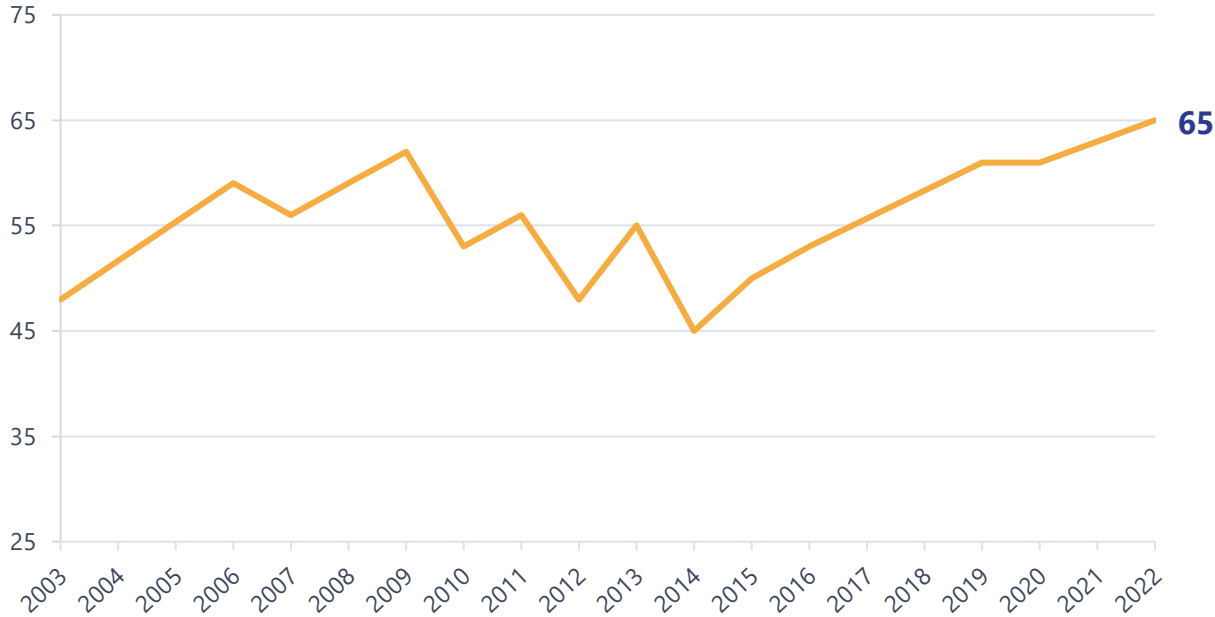


**This moment
is different**

Climate change concern continues to rise even in context of high inflation and the war in Ukraine, and has reached unprecedented levels

Perceived Seriousness of Climate Change

"Very Serious," Average of 17 Markets,* 2003–2022



Gen Z: 69%

Millennials: 65%

Gen X: 63%

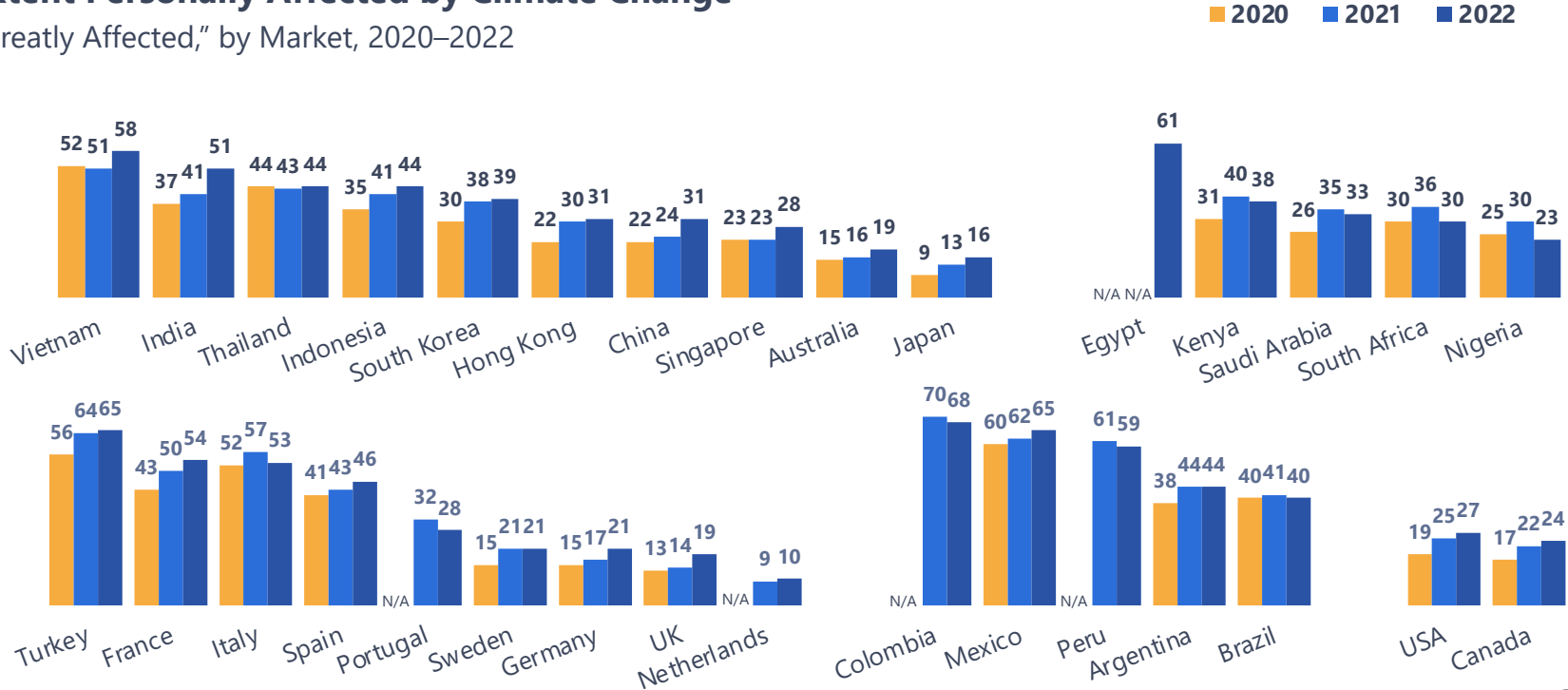
Baby Boomers+: 64%

*Includes Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Kenya, Mexico, Nigeria, Russia (not asked in 2022), Spain, Turkey, UK, and USA. Not asked in all markets in all years. Before 2019 this question was asked using an in-person and telephone methodology.

Canada, along with many markets, see increases over past three years of personally experiencing climate change to a great degree

Extent Personally Affected by Climate Change

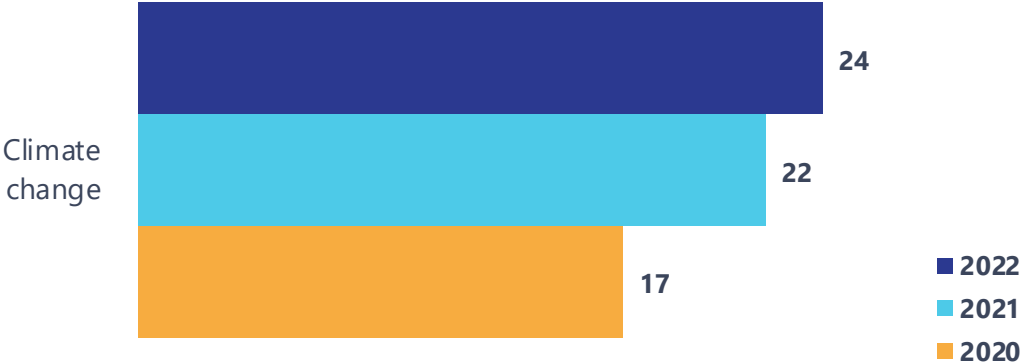
"Greatly Affected," by Market, 2020–2022



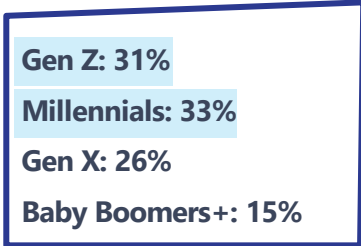
Canadians feel increasingly affected by climate change; this is particularly the case for younger generations

Extent Personally Affected by Climate Change

“Greatly Affected,” Canada, 2020–2022



“Greatly” personally affected by climate change





Persistent aspiration- action gap

The wide gap persists between strong aspirations for living healthier and more sustainably and significant action taken to do so

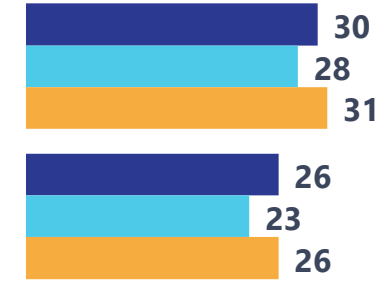
Desire to Change vs Changes Made to Lifestyle

Average of 26 Markets,* 2021–2022

Desire to change lifestyle to be more... “A great deal”



Changes made in the past year to be more... “Yes, major changes”



*For consistent tracking, this chart includes Argentina, Australia, Brazil, Canada, China, France, Germany, Hong Kong, India, Indonesia, Italy, Japan, Kenya, Mexico, Nigeria, Saudi Arabia, Singapore, South Africa, South Korea, Spain, Sweden, Thailand, Turkey, UK, USA, and Vietnam.

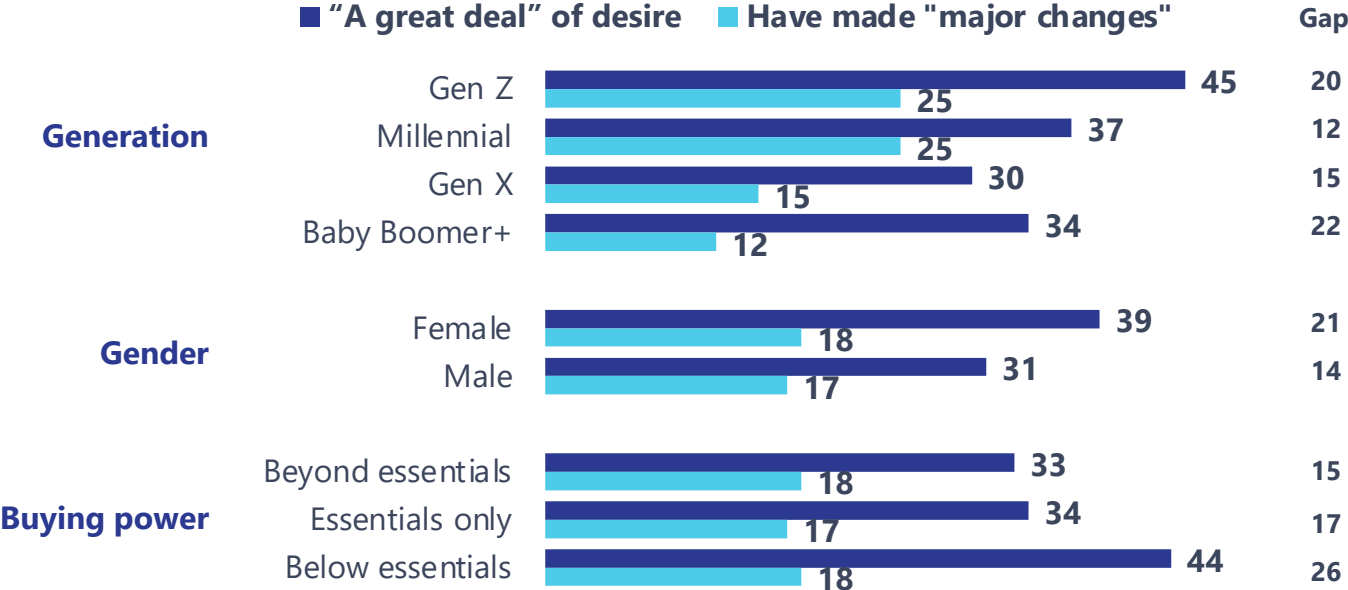
Q2.1 How much would you like to change your lifestyle to be more...?

Q3.1 Have you made any changes to your lifestyle in the past year to be more...?

The aspirations-action gap for sustainable living is larger for women, those who are youngest and oldest and for those with less buying power

Desire to Change Lifestyle to Be More Environmentally Friendly vs Changes Made in Past Year

Canada, by Demographics, 2022

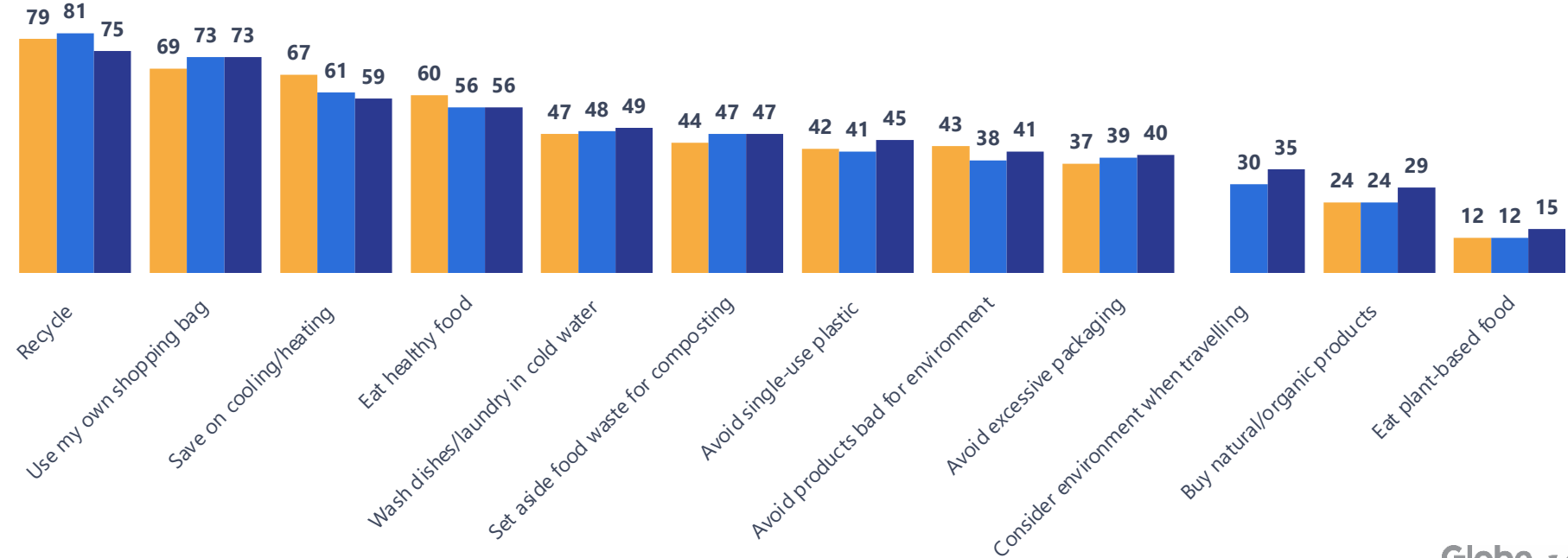


Q2.1 How much would you like to change your lifestyle to be more...? Q3.1 Have you made any changes to your lifestyle in the past year to be more...?

Most sustainable behaviors over have remained relatively steady the past three years in Canada

Frequency of Sustainable Behaviors

"Most" and "All of the Time," Canada, 2019–2022



Q4. Now we would like you to answer a few questions about what you do in your everyday life. Please indicate how often you do each of the following.



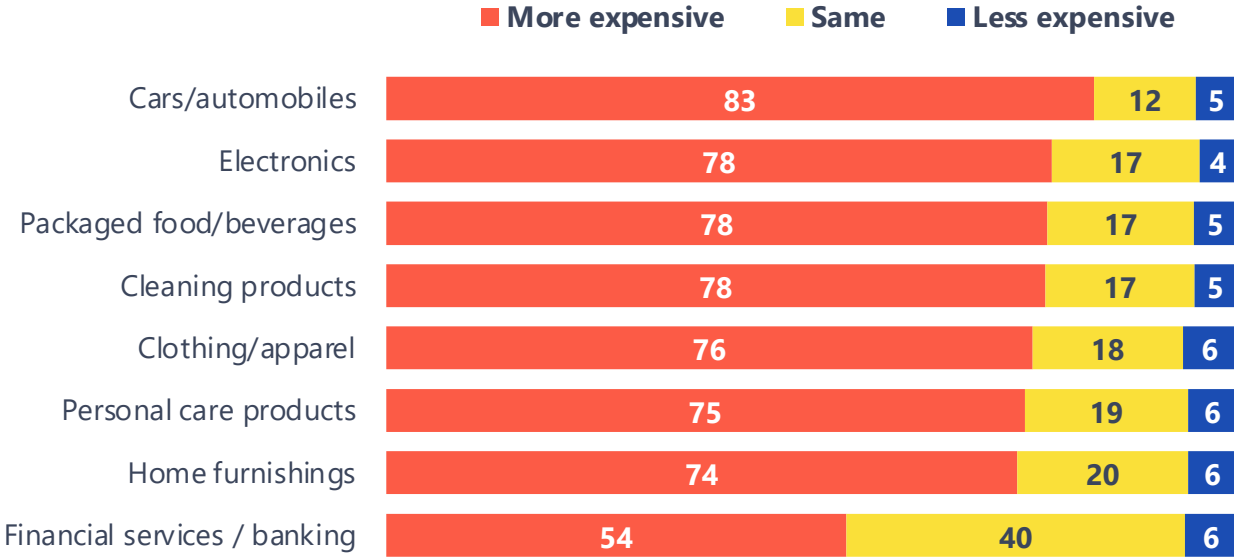
Sustainability marketing is maturing

Canadians tend to believe environmentally friendly products are more expensive, but less so for financial services and banking



Perceptions of Price of Environmentally Friendly Products vs Regular Products

Average of 31 Markets, 2022



13 Q9. Thinking of a regular product and a more environmentally friendly version of the same product, how do you think that the environmentally friendly version would compare in terms of price?

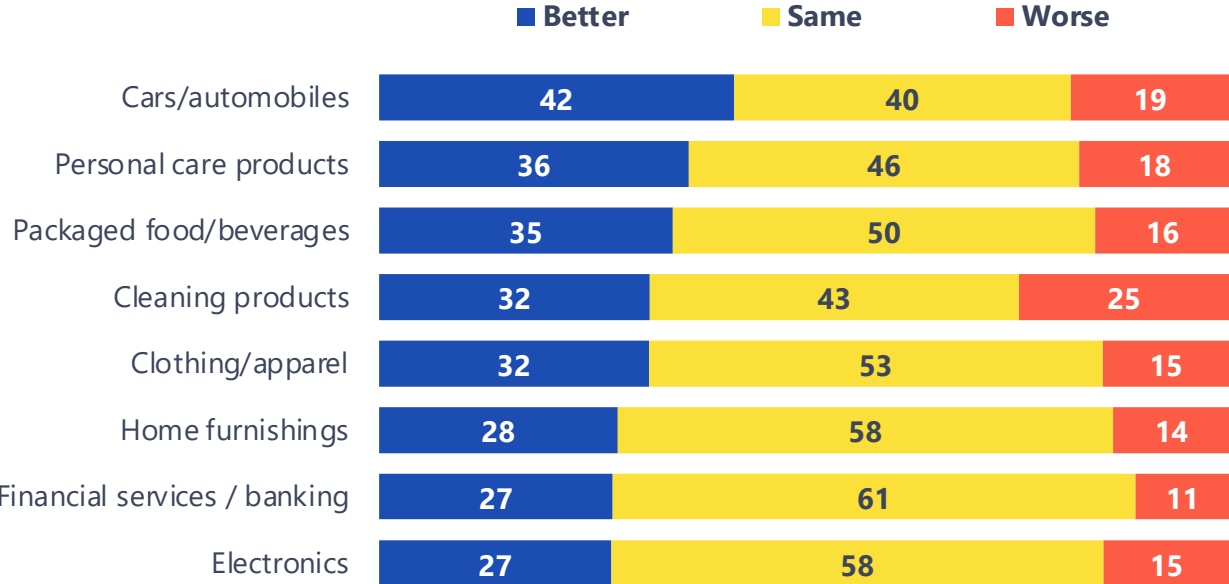


However, most Canadians also tend to believe environmentally friendly products perform at least the same as regular products



Perceptions of Performance of Environmentally Friendly Products vs Regular Products

Canada, 2022



14 Q42. Thinking of a regular product and a more environmentally friendly version of the same product, how do you think that the environmentally friendly version performs or does its intended job?

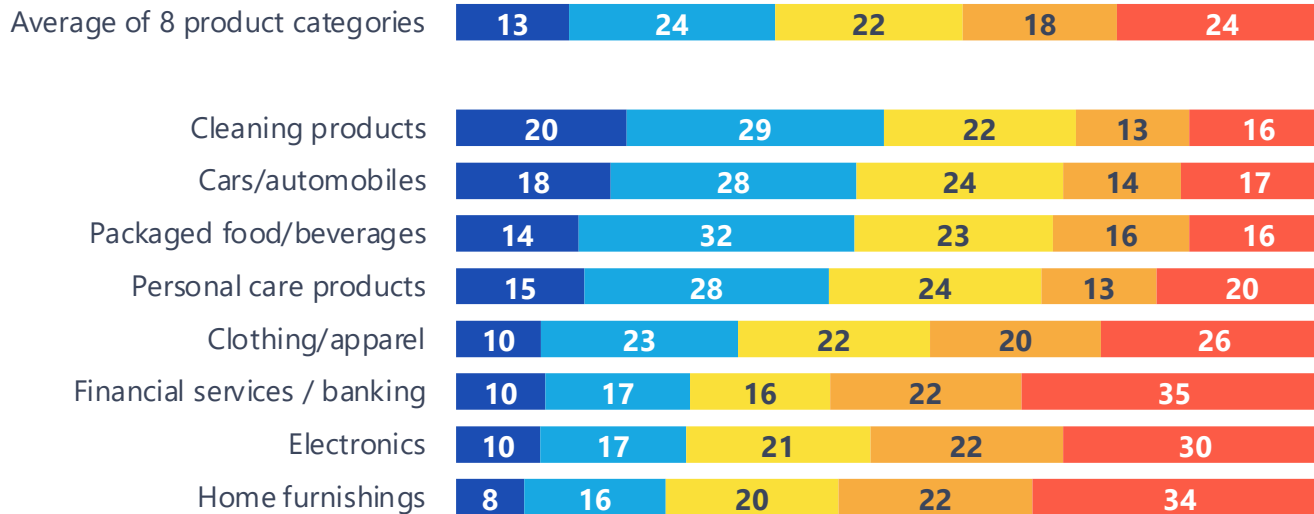


Reach is limited for brands communicating about sustainable products

Have Seen/Read/Heard Brands Communicate on Being Environmentally Friendly

Canada, 2022

■ A great deal ■ Some ■ A little ■ Not very much ■ Nothing at all



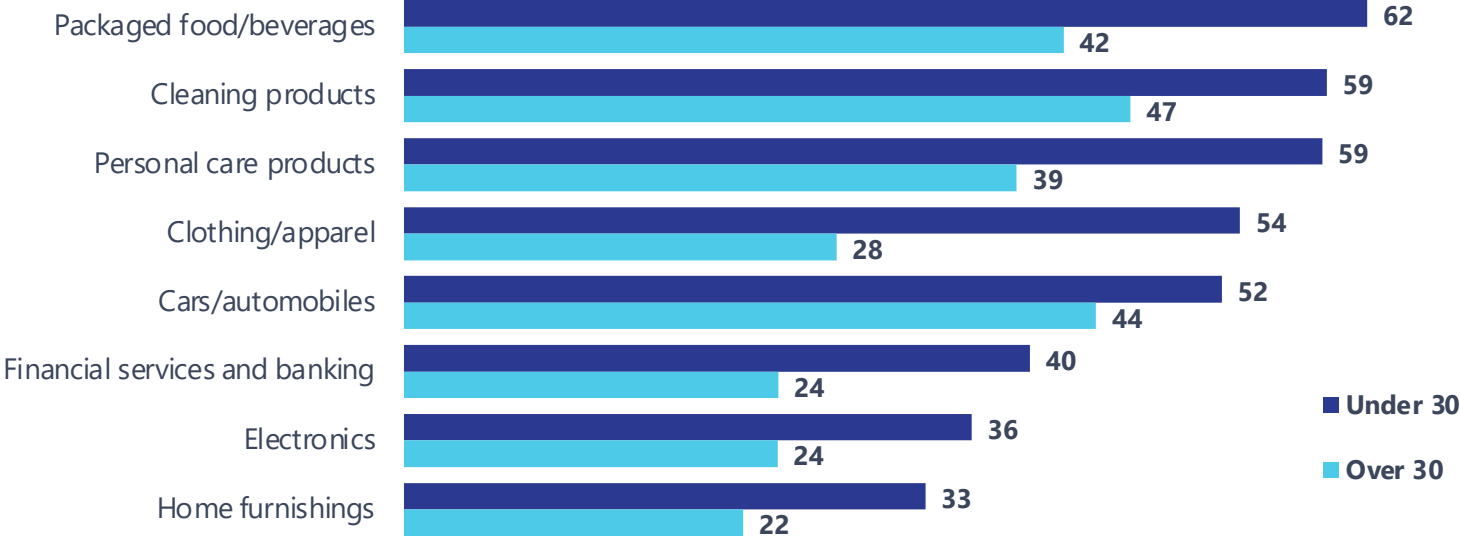
15 Q47. For each of the following types of products, please indicate how much have you seen, read, or heard brands communicating or marketing information on how environmentally friendly they are.

Consumers under 30 are much more likely than those over 30 to have been reached by brands about sustainability for all types of products



Have Seen/Read/Heard Brands Communicate on Being Environmentally Friendly

Canada, Have Seen/Read/Heard "A Great Deal" And "Some," under 30 vs over 30, 2022



16 Q47. For each of the following types of products, please indicate how much have you seen, read, or heard brands communicating or marketing information on how environmentally friendly they are.

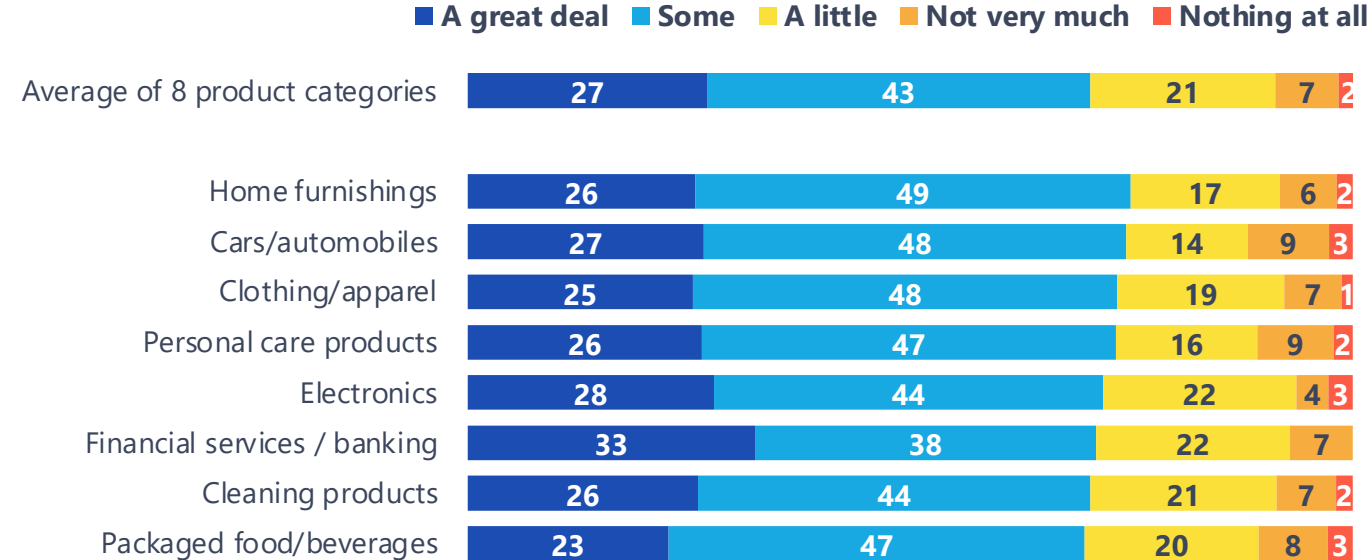


Consumers who have been engaged are generally trusting of communications around environmental friendliness for all product categories



Trust in Environmental Communications

Sub-sample: Those Who Have Heard “A Great Deal” and “Some” of Environmental Communications for Each Product Type, Canada, 2022



17 Q48. For each of these types of products, please indicate how much you trust the information about their environmental friendliness.



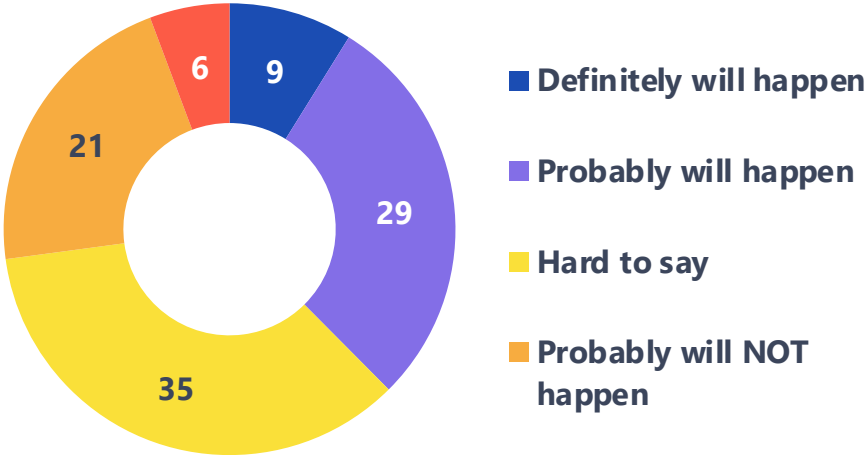


**Defining the
future is key
to scale the
shift**

Nearly four in ten Canadians believe that most people will probably be living sustainably in the next decade; Gen Z are most optimistic

Most People Will Live Sustainably in Next Decade

Canada, 2022



Definitely/probably will happen

| |
|--------------------|
| Gen Z: 42% |
| Millennials: 38% |
| Gen X: 39% |
| Baby Boomers+: 35% |

Q40. How likely do you do you think it is that each of the following will happen in the next ten years?

We need two things to unlock behavior change at scale and pace:

Irresistibility



Inevitability



Agenda

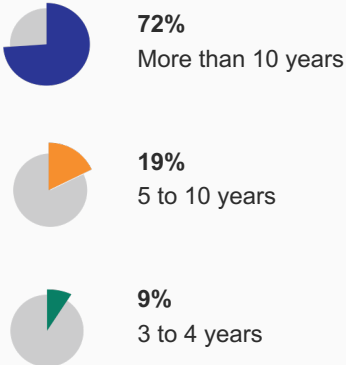
1. Consumer trends

2. Stakeholder perspectives

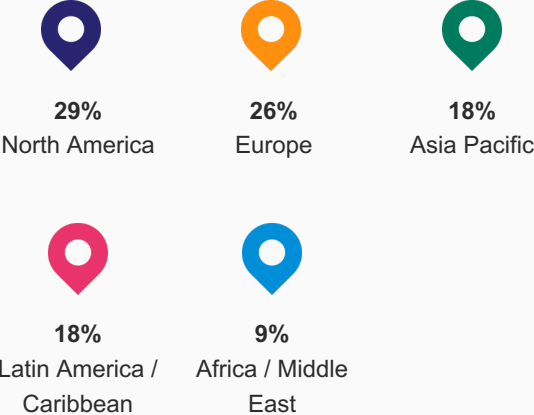
Expert Stakeholder Survey Methodology

A total of 718 qualified sustainability experts completed the online questionnaire from March 14 to May 1, 2022. For the first time, the survey was offered to respondents in Arabic. The survey was also offered in Chinese, French, Portuguese, and Spanish, in addition to English.

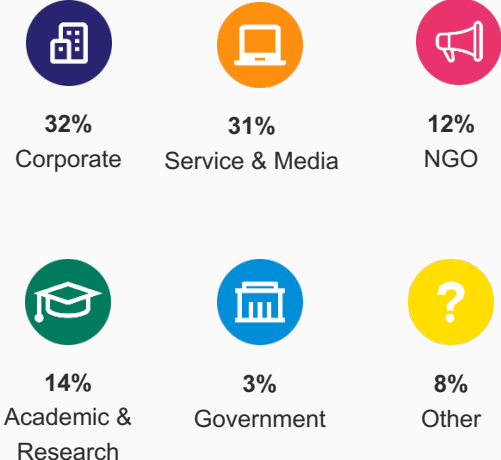
Experience



Geography



Sectors





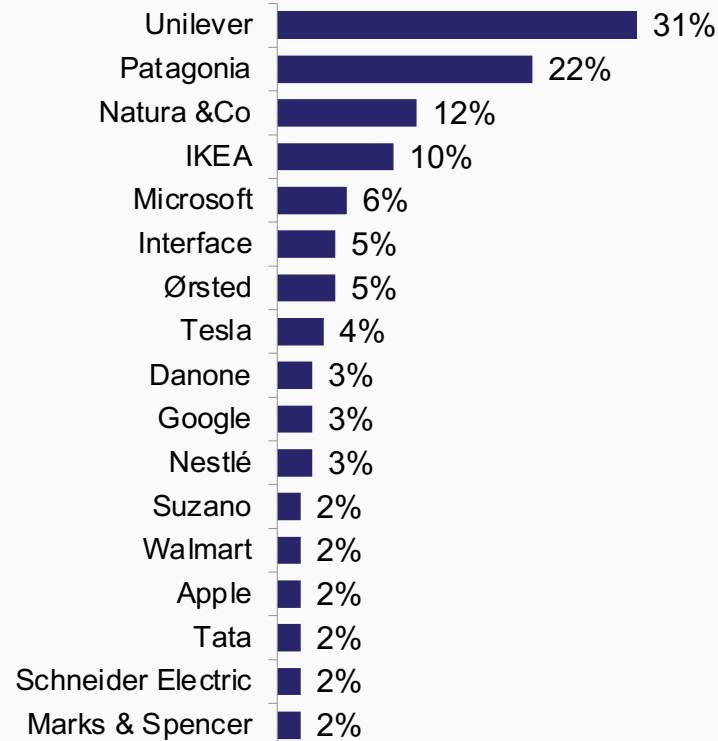
Evolving expectations of corporate leadership

Expert Views on Corporate Sustainability Leaders (2022)

Total of 200+ companies mentioned

Q

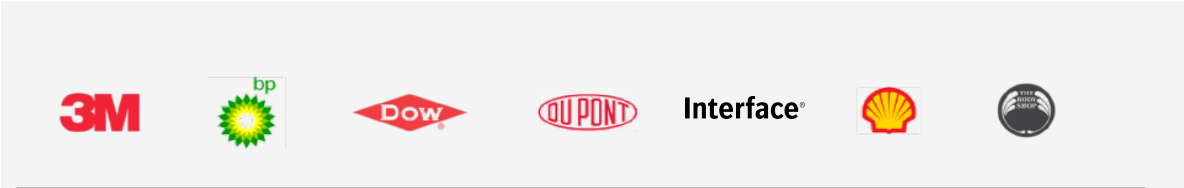
Which specific companies do you think are leaders in integrating sustainability into their business strategy?



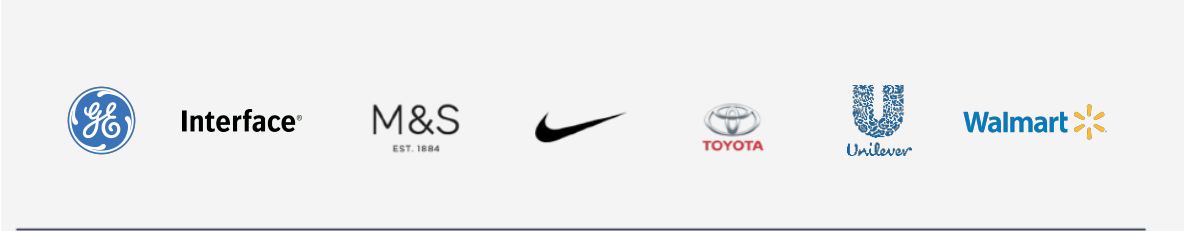
% of Experts, Unprompted, Total Mentions, 2022

Sustainability Leadership: An Evolving Picture (1997-2022)

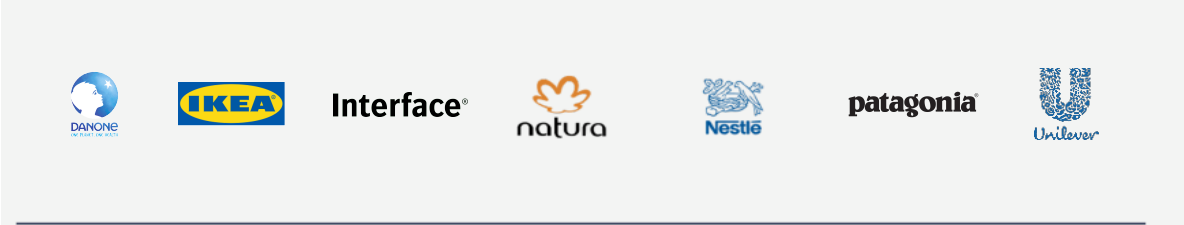
1997 - 2005
Harm Reduction Era



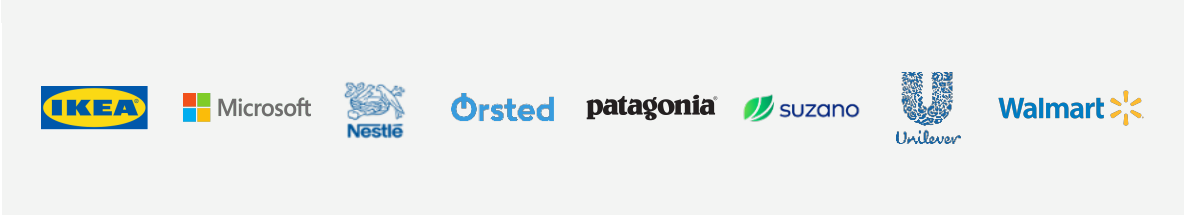
2006 - 2015
Strategic Integration Era



2016 - 2022
Purpose-Driven Era



2022 - Onwards
Regenerative Era





**Know your world.
Lead the future.**

GlobeScan is a global insights and advisory consultancy working at the intersection of brand purpose, sustainability, and trust.

We partner with leading companies, NGOs, and governmental organizations to deliver insights that guide decision-making and build strategies that contribute to a sustainable and equitable future.

We combine over 30 years of data-driven insights with a global network of experts and the ability to engage any stakeholder or consumer. Our unique research programs and global capabilities help to know what's new, what's next, and what's needed. And our advisory services help turn that knowledge into smart, strategic decisions

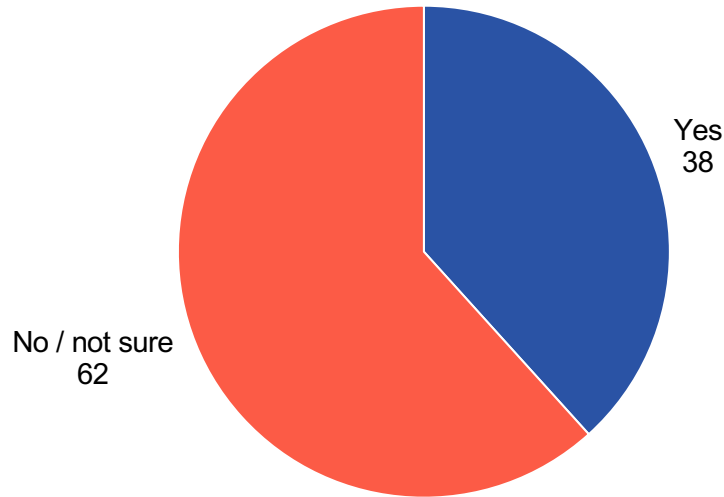
Established in 1987, we have offices in Cape Town, Hong Kong, London, Mumbai, Paris, San Francisco, São Paulo, and Toronto. As a proudly independent, employee-owned company, we're invested in the long-term success of our clients and society. GlobeScan is a Certified B Corp and a participant of the United Nations Global Compact.

www.GlobeScan.com

Nearly four in ten Canadians say they have recently bought a sustainable product

Recent Purchase of an Environmentally Friendly Product

Canada, 2022



Environmentally friendly products recently purchased by Canadians are most often cleaning products, food items, or personal care products



Most Recent Environmentally Friendly Product Type Purchased

Canada, 2022

