

SUSTAINABILITY IS REDEFINING THE SOURCE OF BUSINESS VALUE

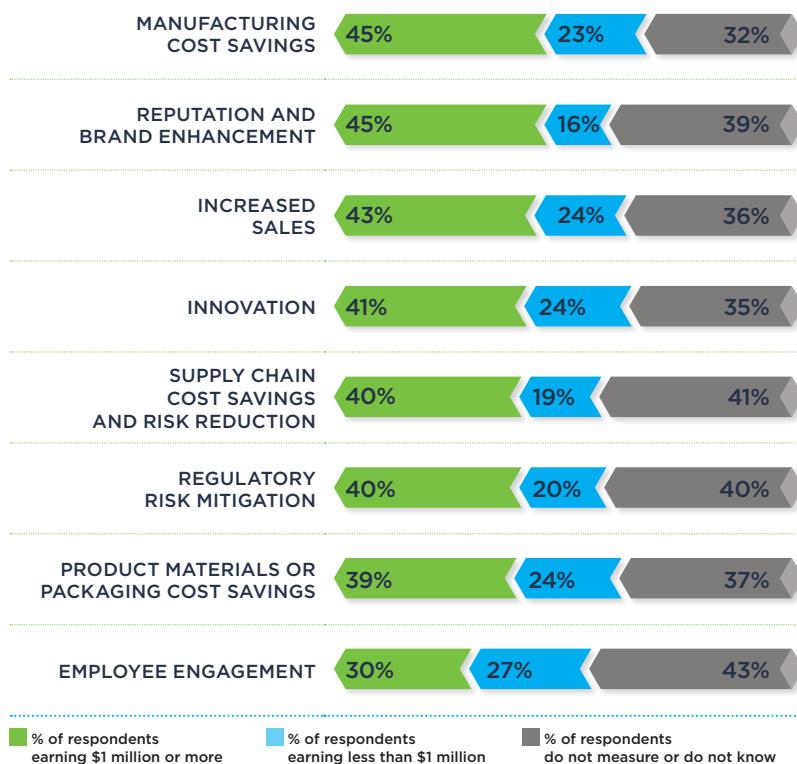
Benefits from sustainability reached several billion dollars in 2015, according to Pure Strategies' global market research. These benefits brought greater productivity, reduced risk, and enhanced growth potentially reaching \$5 to \$8 billion for the sample.



"We believe that financial stability and sustainability go hand in hand. Our sustainability strategies help us improve our company's performance."

— **Smithfield Foods**

The scale of business benefit that survey respondents achieved from their sustainability efforts in 2015.



GREATER PRODUCTIVITY

The Clorox Company measured cost savings generated from sustainability improvements and found that they delivered an average of \$15 million annually since 2008.



REDUCED RISK

Anheuser-Busch InBev: "Our company's product environmental programs are delivering efficiencies from the farm through to logistics, reducing risk and improving resilience for the farmer and our company."



ENHANCED GROWTH

Hewlett-Packard Company engaged with customers whose combined green procurement requirements totaled \$15 billion of existing and potential business revenue in 2015.

Measuring the business value from sustainability is critical although a third of those surveyed do not measure these important benefits. Get started measuring your performance:

1 Explore

Explore potential business value based on research and other's experiences.

2 Evaluate

Evaluate which are most important and determine what is possible for your organization (what is the quantity & contribution).

3 Execute

Develop metrics and execute to realize gains.



Leaders are gaining benefits across three areas



Greater Productivity

Greater productivity involves operational and supply chain cost savings, material efficiencies, and employee engagement.

- Pure Strategies' survey respondents cited company efforts on resource efficiency, such as energy and water, as the key way to save costs across different productivity opportunities.
- Cost savings achieved: 5-15% lower manufacturing cost, 9-16% lower supply chain cost, and 10-25% lower material cost.



Reduced Risk

Reduced risk encompasses regulation mitigation and operations and supply chain risk reduction.

- The survey showed that resource efficiency and sustainable chemicals management are key ways to reduce regulatory risk.
- 29% of U.S. electronics firms lost revenue due to non-compliance to the EU RoHS regulation, estimated at \$1.84 million per firm.



Enhanced Growth

Enhanced growth includes reputation and brand enhancement, market value, and innovation and new products.

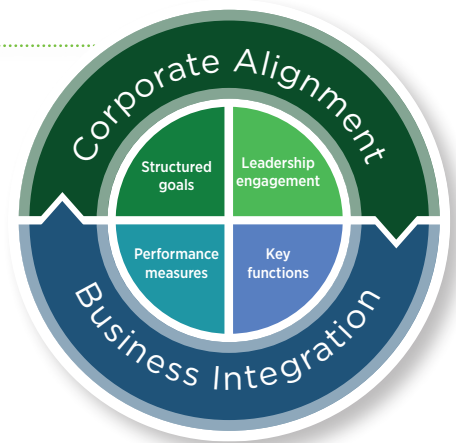
- Respondents stated that resource efficiency efforts help to build reputation and brand enhancement.
- With 73% of consumers seeking green products, brand loyalty is strengthened when consumers know about corporate efforts. Consumers that are aware of Ben & Jerry's values are 2.5 times more loyal (as assessed with a consumer survey).

Ensure that your sustainability program brings the greatest value

Top performing companies are earning more because their sustainability programs are set up for success. They are optimizing corporate alignment and business integration and incorporating business-relevant goals and metrics. To assess your product sustainability program, complete the free [Self-Assessment Tool](#).

Leverage business-relevant goals and metrics to engage and align teams across the company while delivering value. Examples include:

- Amount and portion of revenue from sustainability-driven products/brands
- Growth rate of sustainable products/brands (compared to rest of company portfolio)
- Portion of product launches or product portfolio with sustainability improvements (over baseline).



About the research: In 2016, 153 telephone surveys were conducted with heads, VPs, and directors of sustainability in firms from across the globe with revenue of at least \$250 million. The industries included: food and beverage, apparel and footwear, life sciences and medical products, electronics and appliances, home care and cleaning, personal care and cosmetics, and general merchandise. Pure Strategies conducted similar studies in [2015](#) and [2013](#) that also informed this report.

WE CAN HELP.

Pure Strategies has helped companies across diverse sectors understand their impacts, risks and opportunities and develop and implement appropriate goals and policies. We bring industry experience, technical insights and market knowledge to the creation of practical strategies that meet client needs.



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