



TRENDS THAT MATTER

Consumers Crave
Sustainability



CONSUMERS WANT A SUSTAINABLE FUTURE

They're seeing the effects of climate change and are putting their purchasing dollars towards products that are contributing to the health of the planet.



Sustainability isn't just a perk, it's a key driver in shoppers' purchasing decisions. Today, consumers **expect** the brands they support to be sustainably minded and environmentally responsible. As consumers continue to keep sustainability and the future of our planet top of mind, food and beverage brands—and the farms and manufacturers they source from—are under the spotlight.

72% of Americans believe it's critical to buy from brands that reflect their values¹

32% of consumers are willing to pay more for sustainable products²

77% of consumers think it's the responsibility of brands and retailers to be more environmentally friendly²

33% of global food and drink launches had an ethical/environmental claim in the 12 months leading up to August 2023; a rise of 14% over 10 years³

With this growing popularity of sustainability claims comes oversaturation, leading to potential distrust and confusion for consumers. In fact, in the U.S. and Mexico, **two in five adults don't trust companies to be honest about their environmental impact.**³

To appeal to consumers within this overwhelmed market, it's critical that brands are **transparent and authentic in their sustainability efforts** and promote this work to their target audiences. Consumers don't expect brands to be perfect,⁴ but they do want to get a taste for what brands are doing to tackle the complex challenge of sustainability.

Where Brands' Sustainability Can Shine Through:

- Packaging
- Responsible Supply Chain
- Shipping & Carbon Emissions
- Policies & Wise Stewardship

SUPPLY CHAIN EFFICIENCIES

Nellson is committed to helping our customers make great products while working towards their sustainability and Environmental Social Governance (ESG) goals.



2 in 3 consumers globally say they care a lot more about the sourcing of ingredients in their foods now than they did a year ago⁵

Sustainable Sourcing

At Nellson, an efficient supply chain is more than just a business benefit. Such streamlining supports our environmental efforts.

Quality Management

The simplest and most effective way to ensure a reliable supply of quality ingredients is to be selective about our vendor partners. To that end, we don't simply seek out the lowest priced

supplier. We target suppliers who meet all of our qualifications and choose a select few who meet our sustainability and quality standards.

Transparency

At Nellson, we make it a priority to manage the supply chain from point of origin to finished product. We want to know about our ingredients every step of the way—this level of transparency is important to consumers and ensures wise stewardship of resources.

Our commitment to strategic sourcing and supply chain efficiencies also supports customers' sustainability efforts through:

- Demand planning
- Finished goods inventory
- Forecasting tools for efficiency
- Enterprise Resource Planning platform
- Streamlining logistics
- Collaborative initiatives
- Supplier engagement



SEALED AND SHIPPED RESPONSIBLY

Environmentally Friendly Packaging

The number one way we help our consumers is through offering sustainable packaging options for their bars and powders. From single serve sachets to bags, bottles and super sacks, Nellson has packaging options to meet your needs—including on-trend, environmentally friendly options.

With packaging manufactured using clean production technologies and best practices, we've been able to create solutions made of sustainable materials that cut down on weight and bulk, which positively impacts your carbon footprint.

Sustainable materials include:

- Recyclable and/or recycled materials
- Biodegradable materials

1 in 4

consumers say that sustainable/ environmentally friendly products and packaging are worth paying more for⁵

2 in 5

consumers say when purchasing food products, sustainable packaging influences their decision the most⁶

60%

of consumers are willing to switch their usual brand for one with more sustainable packaging⁷

Our Customers Handle Their Own Logistics

Nellson's shipping practices that support customers in their sustainability and ESG goals include:

- Consolidated orders
- Route efficiencies
- Reduced fuel consumption

These efforts optimize shipping times and reduce carbon emissions.



COMMITMENT TO ENVIRONMENTAL POLICY

Commitment to the continuous improvement of environmental programs is key to building trust in consumers and positioning Nellson and our customers as environmentally responsible.

Doing What it Takes

Nellson's environmental policy—established and continuously monitored by executive leadership—states that we are dedicated to wise stewardship of natural resources and includes the documentation, implementation and maintenance of a formal Environmental Management System, including environmental programs such as participation in Ecovadis and the CDP process for private markets.



We're specifically committed to:

- Conservation of natural resources, such as water, energy and raw materials
- Waste reduction
- Safe waste disposal practices
- Pollution prevention
- Regular environmental assessments of facilities
- Annual review of our Environmental Management System
- Employee training
- Establishing environmental objectives and targets
- Responsible manufacturability processes
- Encouraging our suppliers and business partners to maintain the same high levels of environmental awareness and performance

INNOVATION & EXECUTION

Nellson is with you from concept to creation, whether you have a new concept, want to grow your offerings, or want to refresh, reimagine or level up your existing bar or powder.



Our new Formulation Library and Specs Hub (FLASH) system also helps smooth your path to market with formula versioning, regulatory compliance, audit reports and customized reporting.



We make it happen with the industry-leading in-house R&D expertise, 60+ years of experience and capabilities to support your market opportunities, as well as the quality standards, supply chain and responsible sourcing to contribute to your success.

**Let's get started, today!
Contact Us**

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SOURCES

- ¹ 72% Of U.S. Consumers Want Brands To Reflect Their Values, Retail Touchpoints, <https://www.retailtouchpoints.com/resources/72-of-u-s-consumers-want-brands-to-reflect-their-values>
- ² Mintel, Infographic Overview for Sustainability in Retail
- ³ Mintel, 2024 Global Food and Drink Trends
- ⁴ Innova Market Insights
- ⁵ Innova Trends Survey 2023 (Global: Average of Brazil, Canada, China, France, Germany, India, Indonesia, Mexico, Spain, the UK and the US), Innova Database
- ⁶ Innova Packaging Survey 2022 (average of responses from 11 countries), Packaging Insights 1,2
- ⁷ Innova Packaging Survey 2022 (average of responses from 11 countries), Packaging Insights 2020, 2021, 2022