

UNDERScore

THE KEY TRENDS TO SHOUT ABOUT

Sustainability Trends 2021

Contents.

01

**Finance
& Tech**

02

**Property
& Construction**

03

**Fashion,
Food & Retail**

04

**E-commerce
Trends**

05

**Travel &
Tourism**

01

Finance

& Tech

FINANCE & TECH

The UN's carbon reduction goals require all consumers to reduce their carbon emissions to **50% by 2030.**

The finance industry is just one sector that is beginning to help consumers adopt more **sustainable consumption habits** in order to reach these targets.



The Do Black card created by fintech company Doconomy tracks user's spending and the **resulting carbon footprint of their purchases**, with the aim of reducing unnecessary overspending. Supported by a smartphone app, the Do Black card will automatically deny transactions if the customer has **outspent their carbon limit**.

It might seem extreme, but CEO of Doconomy says "We all need to come to terms with the urgency of the situation and rapidly move towards more responsible consumption. With Do Black there are no more excuses". The Bank of Aland's biodegradable Baltic Sea card, made from renewable raw materials including maize, similarly helps users to track their carbon footprint.



IMAGE: DO BLACK CARD

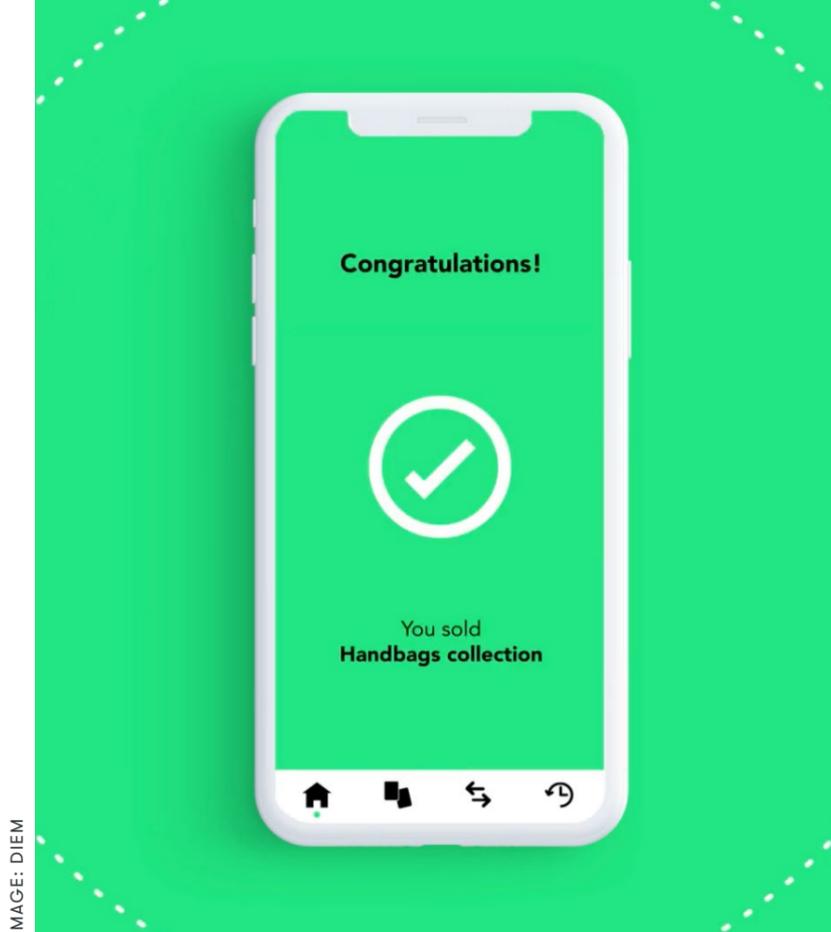


IMAGE: DIEM

carbon footprint

Another company responding to the **62% of people globally who say it's very important that companies they buy from adopt circular sustainability practices** (source: Forbes) is DIEM.

DIEM is a new circular economy-oriented fintech company that empowers consumers to value and instantly gain credit for a range of lifestyle items.

Dubbed as the 'bank of things', the service allows consumers to receive instant payments for unwanted items.

Using a dedicated app, customers are able to gain instant valuation for their clothes, accessories, electronics and books – using a market-based algorithm with integrated machine-learning.

See exactly how DIEM can value your unwanted goods here - [Introducing DIEM: Your Bank of Things.](#)

nutmeg

NO NONSENSE INVESTING



IMAGE: NUTMEG

Another interesting newcomer is **NUTMEG** an investment platform that offers its users a **socially responsible portfolio** which allows them to align their investments with **their personal values and moral convictions**.

With continuous oversight from the in-house investment team, these socially responsible portfolios are tilted towards companies and bond issuers that have high environmental, social and governance (ESG) standards.

They invest in exchange-traded funds (or ETFs) that avoid companies engaged in controversial activities while focusing on those that genuinely lead their peers in the field of ESG.

PLUM is a fast-growing AI-based fintech startup that uses an **algorithm to analyse your spending habits** and help you save money without even thinking about it. The app does this by doing the math and every few days, transferring the perfect amount into your account, with your savings adding up, little by little.

With 6 settings, from shy, to beast mode there is an option for all saving personalities.

Some of its more interesting saving methods are; Rainy days, which, once activated, saves money automatically every time it rains where you live, and, the 52 week-challenge, which sees you save £1 in the first week, £2 in the second, and so on until you get to week 52 (saving £52) which, over the course of a year could see you save a whopping £1378! Plum users can also back socially responsible companies by investing their savings with the app. According to UKTN, Millennials aged between 25 and 35 make up the majority of plum users and have been making considered and logical investment choices during the COVID-19 pandemic.

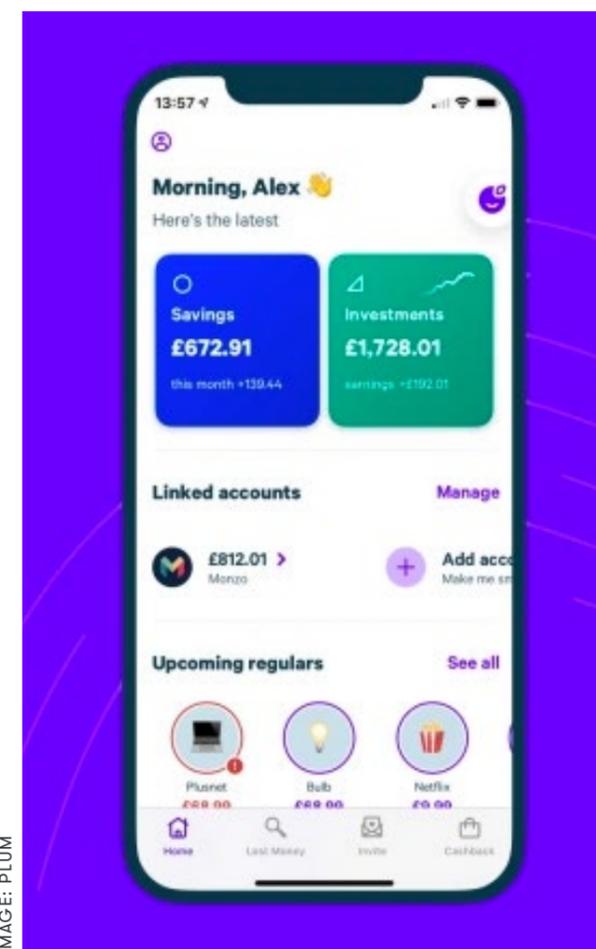


IMAGE: PLUM

02

Property & Construction

PROPERTY & CONSTRUCTION

In the search for climate change solutions, **the built environment can drive innovations** that reduce carbon emissions and create urban environments where people feel happy, productive and safe to share their surroundings.



More proactive approaches to increasing a building’s sustainability credentials are now becoming the norm for future-proofing working and living spaces, creating better long-term returns and satisfying occupier demands and needs.

This creates a multitude of considerations for achieving green status and ensuring sustainability is at the front of the minds of the people that drive this industry forward.

Within the construction industry, building sustainable and energy-efficient structures is essential to business success. Offering home buyers environmentally-conscious features like rooftop solar panels, LED lighting, improved insulation, water recycling systems and smart-home technology plays well in the eyes of both the consumer and investor as it’s both intentional and measurable (e.g., lower utility bills, reduced water usage, renewable solar energy).

S U



T A

Sustainability itself now covers everything from biodiversity, health and wellbeing, customer and community engagement and behaviour change.

A B



I T

Y

The construction and operations of buildings have been shown to account for 40% of worldwide greenhouse gas (GHG) emissions, and with such a massive carbon footprint, nations, local governments and companies are continuing to set carbon reduction goals with an eye to becoming as carbon-neutral as possible.

In New York City, the Mayor’s Office has launched a public-private partnership to decrease GHG emissions for commercial buildings by at least 30% over the next 10 years as part of the effort for the city to reduce GHG by 80% by 2050. To achieve these goals, companies are sourcing energy from renewable resources and using new technologies and data analysis to aid in reducing energy consumption, waste diversion programs, and

decreasing water usage through efficiencies and conservation. Reducing emissions not only reduces carbon output but also provides long-term value in the form of reduced energy costs, creating operational efficiency and extending the useful life of building systems.

Some good examples of this approach in action are as follows;

CITY TO REDUCE GHG BY

80% by 2050



RESIDENTIAL

The sustainable outlook for residential homes is looking very positive, with affordable and workforce housing among several of the many asset classes that have the potential to achieve measurable social and environmental benefits combined with financially rewarding investment performance.

Orford Mews in Walthamstow is a revolutionary project that will set the benchmark for sustainable development, being the first-ever carbon and energy positive zero waste residential property development. The features include a community garden with edible plants, living walls and roofs, a dedicated wellbeing space, a residents electric car club and the promise of utilising local labour and materials throughout the project.

COMMERCIAL

Great Portland Estates PLC has just launched their Roadmap to Net Zero, building on their Sustainability Statement of Intent “The Time is Now” launched in May 2020. The Roadmap sets out how GPE will deliver the first pillar of their statement of intent, namely to decarbonise their business by 2030.

The West End Commercial specialists have a clear path to net-zero through:

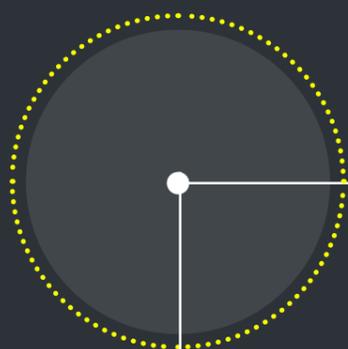
1. Reducing the embodied carbon of their developments and refurbishments
2. Reducing the energy intensity of their investment portfolio
3. Investing in on-site renewable energy sources
4. Offsetting residual carbon

To reduce the level of offset that will be required in 2030 in order for them to reach net zero, they have set an internal carbon price of £95 per tonne to attach a meaningful financial impact to emissions.

Janine Cole, Director of Sustainability & Community at GPE said: “Climate change is the biggest long-term challenge that

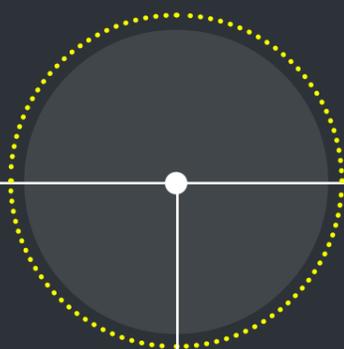
we face, and with the urgency growing to respond to the climate crisis, we have created a Decarbonisation Fund which will finance our ambitious targets, drive innovation and behavioural change and ultimately help us to decarbonise our business faster.”

Landsec 2020



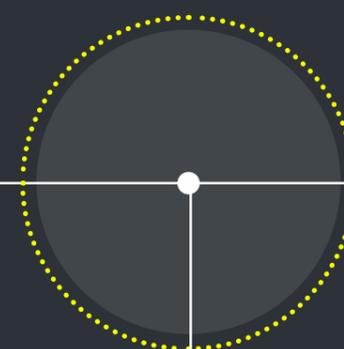
UK First

Property developer Landsec has set out plans for what it hopes will be the UK’s first net-zero carbon commercial building.



139,000 sq ft

Currently, Landsec says there is no building in the UK that has been verified as net-zero carbon in line with the UK Green Building Council’s (UKGBC) framework. However, The Forge (previously 105 Summer Street), is a ground-breaking 139,000 square feet office development in London which will be built and operated to the standards set by the UKGBC.



Work Together

Julie Hirigoyen, Chief Executive at UKGBC says: “Developers, construction firms, architects and occupiers must start working together at scale to deliver buildings like this that minimise whole-life carbon and contribute to meaningful progress in the battle against climate change.”

RETAIL

Within the West End of London, the estates and landowners are paving the way for a more sustainable physical environment, with a number of initiatives taking place to ensure the efficiency of their buildings.

The Crown Estate, which owns and manages Regent Street and much of the surrounding area, has pledged that all new developments have a BREEAM rating of ‘very good’ or higher and are WELL certified. For both new and existing buildings, they are also aiming to reduce water consumption by 40%.



Grosvenor is also leading the way within Mayfair and its wider estate, with pledges to achieve net-zero operational carbon emissions from its directly managed buildings by 2030, be zero waste by 2030 and be water neutral by 2050. These initiatives rely on occupiers not only to operate sustainably within their net-zero units, but also to collaborate with the owners to match sustainable practices with their environment.



On the occupier front, sixty-three major retailers including Morrisons, Ikea, Ocado, Boots and Missguided have pledged to help the retail industry reach net-zero carbon emissions by 2040.

The British Retail Consortium has outlined strategies to decarbonise the retail sector and its supply chains with their Climate Action Roadmap.

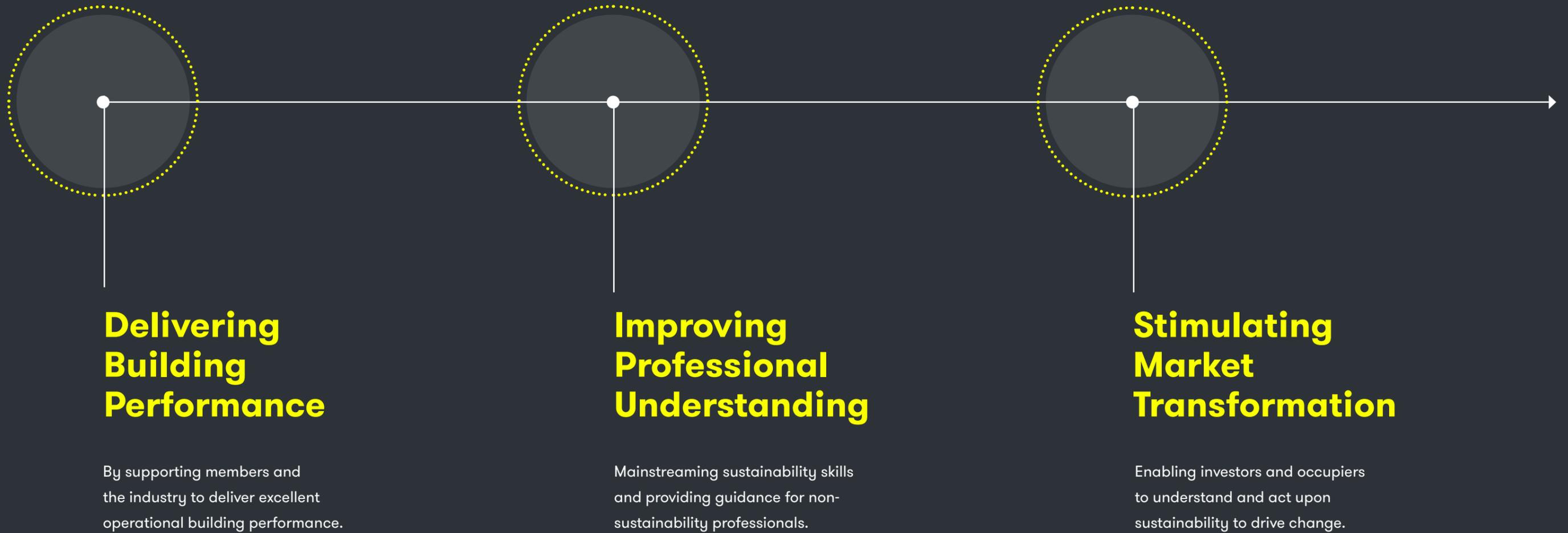


net-zero
carbon
by 2040

BUSINESS PARKS

A major shift in the business park sector to meet sustainability demands has been led by the current Better Buildings Partnership project set up recently in the UK.

The BBP is a collaboration of the UK's leading commercial property owners who are working together to improve the sustainability of existing commercial building stock with 3 key aims:





BUSINESS PARKS CONTINUED

The latest report from the Intergovernmental Panel on Climate Change (IPCC) highlighted that we are facing a global climate crisis and must limit global warming to 1.5 degrees to reduce the risks associated with long-lasting or irreversible changes to the Earth's atmosphere and ecosystems.

The signatories hope that their leadership will provide an important catalyst for change within the sector and encourage other property owners to follow suit and join them in signing this commitment.

Derwent London and Great Portland Estates are the first to have published their Net Zero Carbon Pathways explaining how they intend to become carbon neutral by 2050 and to annually disclose their progress towards this commitment.

Another key change we are seeing across the sector is the need for collaboration and building partnerships to meet their sustainability demands and targets. Earlier this year, Frasers Property UK teamed up with property management specialist MAPP to further improve the customer experience and transform sustainability performance across their six business parks.

Along with social considerations, the parks' environmental impacts and people's ability to live a more sustainable life at work are key to Frasers Property UK and MAPP's forward-thinking approach.

They have set out three key priorities of transforming their sustainability effort across their South East Business Park Portfolio:

- Sustainability targets being fully integrated into their service level agreement
- Asset-level approach to delivering a net-zero carbon roadmap
- Collaborative working across 325,000 meters squared of their UK Business Park portfolio

In a statement, Ilaria del Beato, CEO of Frasers Property UK said: "Our vision is to create places where people and businesses can flourish, and occupier experience is central to that mission. In appointing MAPP across our business park portfolio, we have found a strategic partner who shares our focus and commitment to delivering outstanding sustainable workspaces with vibrant and well-connected communities."

carbon neutral by 2050



03

Fashion, Food & Retail

FASHION, FOOD & RETAIL

With the fashion industry cancelling about £2.2bn worth of clothing orders during Covid-19 (source: Business & Human Rights Resource Centre), there is an **increasing demand for small, eco-conscious collection runs.**



In the US, nearly 90% of people are looking for thrifty new habits to continue in a post-Covid world (source: ThredUP) and, in the first three months of 2020, global searches for ‘upcycled fashion’ rose by 42% (source: Lyst), and Pinterest searches for ‘tie-dye crafts’ were up by 13 times year on year in June 2020.

The rise of what is now being called “Moral Commerce” is both spurring shoppers to make more conscious decisions about the brands they buy from – and to pay more attention to the origin of their products. Platforms like AMBIO-N align buyers with sustainable sellers and act as an industry gateway for circular sourcing. Available as a membership service, users will be granted access to a database of over 60 accredited suppliers.

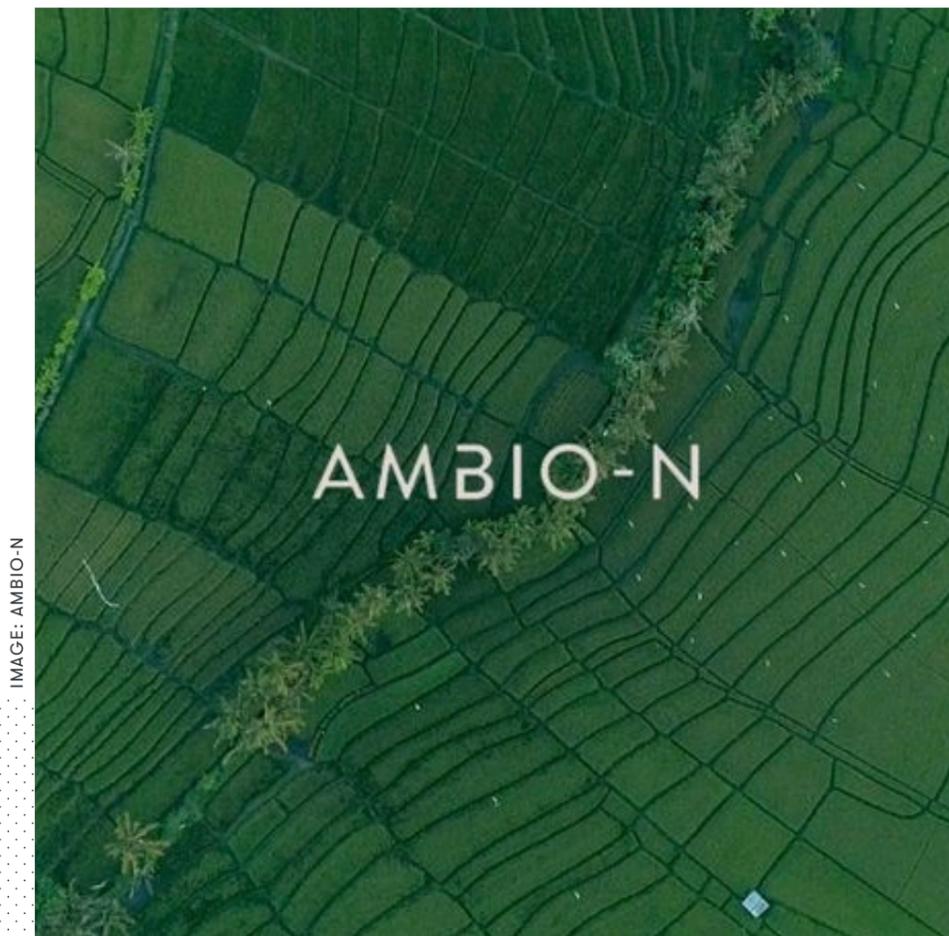


IMAGE: AMBIO-N



IMAGE: LOOOP BY H&M

‘moral commerce’

One initiative we hope to see coming to the UK soon is Loop by H&M. Loop is a garment-to-garment recycling system that lets shoppers transform their unwanted clothing into new items.

The garments are cleaned, shredded, spun into yarn and knitted into new garments - all in-store. By allowing consumers to watch the creation process, Loop hopes to actively engage them in a circular fashion, while repositioning the store environment as a theatrical, service-led space.

Swiss running brand On is soon to launch a brand new **circular retail concept** for its **zero waste** running shoe, Cyclon. Promoting the tagline, ‘Own the run, not the shoe’ the brand is offering the shoes as part of a monthly subscription service for £22.90 (€25.33 or \$29.99).

The subscription encourages runners to wear the shoes until they’re worn, before returning to the brand to receive a new pair.

Reportedly the world’s second most polluting industry after oil, the very nature of fashion’s quick trend turnover means that fast fashion isn’t the most sustainable.

Adidas have also teamed up with non-profit organisation Parley and last year sold more than 1 million pairs of shoes from recycled ocean plastic (with each preventing around 11 plastic bottles from entering our oceans). They have created a material trademarked ‘Ocean Plastic’, which is made entirely from plastic intercepted on beaches and in coastal communities.

This is Cyclon.

And this is the running shoe you will never own.



IMAGE: CYCLON BY ON



IMAGE: PARLEY

Global lockdown, convenience culture, and the resulting home-body mindset is boosting demand for takeaway foods across the food & beverage industry. So much so, that the app-based food delivery market is predicted to grow 15% by 2023, equivalent to £80bn in value (source: Technavio).

One big downside of this change is a huge increase in disposable takeaway boxes. An estimated 500m plastic takeaway boxes are used in the UK takeaway industry each year (Source: Just Eat and Notpla).

In response to sustainability demands, many businesses are beginning to consider how packaging innovations can reduce the amount of plastic packaging used by delivery kitchens.

Focusing on London, Just Eat has joined forces with packaging firm Notpla to create and trial the **world’s first seaweed-lined box** for the takeaway sector.

The boxes are recyclable and can decompose in an at-home compost within four weeks. Through the initiative, Just Eat aims to divert around 3,600 plastic boxes from entering the waste stream.

Non-alcoholic spirits brand Seedlip is also taking its sustainability credentials one step further with packaging that can grow plants. Seedlip has developed packaging that is lightweight and home compostable, made from the root structure of mushrooms. Their gift set also includes tags made with seeded paper, that customers can plant inside the packaging as a form of novel at-home planter.



IMAGE: JUST EAT SEAWEED PACKAGING



IMAGE: SEEDLIP MUSHROOM PACKAGING

E-COMMERCE TRENDS

Looking towards the world of e-commerce, consumers are suddenly realising the efficiencies that have become a part of our modern culture are also not something we can realistically sustain with the earth's finite resources. We are all guilty of taking advantage of next day, and in some cases, same day delivery windows for our consumer goods bundles in layers and layers of single-use plastics.



One brand committed to reducing its carbon footprint and being completely transparent about their Corporate Responsibility Programme is ASOS. In the 2018/2019 period, they made great strides towards **reducing the environmental impact of their deliveries using electric vehicles.**

In 2019 alone, they successfully delivered over 1 million packages to customers in London with zero delivery emissions and zero contribution to air pollution.

With the company sourcing over 72 million plastic mailing bags and 5 million cardboard mailing boxes a year, they are continually reviewing their packaging sourcing and recycling options to find ways to reduce the volumes they use. Take their formal and workwear packaging for example; ASOS eliminated excess packaging (pictured right) which left the garment with just two pieces of packaging for every ASOS Design shirt: a single cardboard collar, and a 100%-recyclable outer mailing bag, made from 90% recycled content.



IMAGE: ASOS

Brands such as Organic Basics are re-coding their e-commerce platforms to use less energy. The low-energy version of its online store reduced the amount of data transfer by up to 70%.

To achieve this, the website compressed user data, has a limited number of images and

removed all videos. The platform also runs on green energy from Denmark's wind turbines, adapting to the amount of renewable energy available at any given time. As such, it may even close down during peak online traffic times as it waits for sustainable energy sources to increase.

Focusing on deliveries, German company Organic Baby Food offers three-day express delivery alongside a 30-day **“climate-friendly” shipping option which, it explains, is “100% climate-neutral with zero emissions.”**

Given the option, it's likely many consumers would re-evaluate whether they really need that new shirt, book or gadget tomorrow and would happily opt to wait a few weeks for the sake of the planet.

Good Club, an online grocery store focused on delivering healthy, organic and sustainable food and household items to people's homes for up to 40% less by selling directly to the consumer. They offer their customers one free carbon-neutral delivery per month, encouraging consumers to be more mindful of their shopping habits and to plan ahead to ensure their carbon footprint can be as small as possible.



IMAGE: GOOD CLUB

TRAVEL & TOURISM

Covid-19's impact on tourism is one we're all too familiar with. In 2020, the number of airline passengers was expected to reach 4.72bn (source: International Air Transport Association). Now, passenger numbers are projected to be 46% below those of 2019. While consumers are excited to return to travelling, many are looking for their footprint to be as light as possible when they do.



MIRACLE



IMAGE: YULU

Yulu, based in India, is positioning its solo-person hireable electric bikes – which don't require a driver's licence – as a pandemic-proof mode of transport. They have a bring-your-own helmet policy, and each bike boasts tech-assisted sanitisation and a last-sanitised time stamp.

As well as reducing traffic congestion, Yulu hopes to propel India – a country dealing with damaging rates of air pollution – towards a smog-free future. Meanwhile, in the UK, some places have reported a 70% rise in people using bikes during the pandemic and steps

are being taken to wean the nation off its reliance on cars. Most notably, the Streetspace programme, designed to drive a 10-fold increase in cycling across the country's capital city.

The pandemic has definitely highlighted how tourism impacts air quality and pollution. One outcome of this is the rise in floating hotels. Anthénea, the world's first floating hotel suite, is a solar-powered pod with a circular bed, a sea or freshwater bathtub and a solarium.

It is made from eco-friendly materials and seeks to remedy issues such as overtourism, climate change and rising sea levels. As well as immersing guests in nature thanks to its 360-degree rooftop seating and underwater lounge, the pod enables guests to anchor in remote and (until now) inaccessible areas without damaging the surroundings.



IMAGES: ANTHÉNEA



When it comes to luxury travel, it's no longer about the largest private pool or biggest hotel suite, but creating unique moments, says Thierry Teyssier, brainchild of 700,000 heures.

In the spirit of creating once-in-a-lifetime experiences, OceanSky will be taking to the air in 2023, giving passengers a chance to climb aboard the first helium aircraft to fly to the North Pole. The expedition aims to prove that

travel and transport by air can be sustainable... that lighter-than-air technology can supply humanity with ultra-efficient means of mobility, and operate in areas without infrastructure or civilisation.



IMAGE: OCEANSKY

ultra-efficient



IMAGE: OCEANSKY

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