Seventh

Fingerprints

OUR 2021 CLIMATE IMPACT IN FULL DISCLOSURE

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A LETTER FROM ASHLEY ORGAIN, OUR CHIEF IMPACT OFFICER

Welcome

THIRTY-THREE YEARS AGO, SEVENTH GENERATION WAS FOUNDED **ON A FAIRLY RADICAL NOTION:** THAT CORPORATIONS COULD BE A POWERFUL FORCE FOR POSITIVE CHANGE AND PLAY AN IMPORTANT ROLE IN SECURING A JUST AND SUSTAINABLE WORLD.

OUR 2021 CLIMATE IMPACT IN FULL DISCLOSURE

TO OUR 2021 CORPORATE CONSCIOUSNESS REPORT



WHAT'S Real Zero

& WHY DO WE WANT TO GET THERE?

The only way out of the climate crisis is to get to real zero.

Real Zero = Net Zero – Offsets

It means reducing and stopping carbon emissions before they are put into the atmosphere. It means investing in climate justice and the transformation of our energy and transport systems to 100% renewable sources.

No fossil fuel burning. No offsetting.

Source: Greenpeace International

It's a mission built into our very name, and in the decades since, we've tackled issue after issue in pursuit of that better future. Dirty skies. Unsafe water. Swelling landfills. Dying ecosystems. Dioxins in our paper. Toxins in our bodies. When it comes to environmental struggles, we've engaged with many.

But we've never seen anything like the climate crisis.

Let us not mince words: we are facing an urgent environmental catastrophe far more perilous than any we've ever faced before, an existential emergency that is rapidly unraveling Earth's delicate web of life and threatening humanity with its own extinction. We see that fate in the heat and fire, flood and drought that fill our news feeds. Left unchecked, their terrifying reach will irrevocably alter the course of life on Earth – human and otherwise - for the next ten thousand years. Absolutely everything is on the line.

And at Seventh Generation we've been asking ourselves a critical question. Is there anything more we can possibly do?

Certainly, we are reconfiguring our products and re-engineering our supply chain. We're sticklers about energy conservation and focused on renewables. As a B-Corporation, we study our data points and respond to their truths with all the creativity and science we can summon. Yet in this time of dire need, we wonder... could we have missed something?

The answer is yes.

"We seek to push the practice of corporate environmental reporting dramatically forward and advance a far more complete vision of authentic climate leadership free of finger-pointing."

In examining our efforts, we've identified a new route to progress: follow our money. In a sense, money is a supply chain in and of itself, one with dollars instead of goods and materials, and wires instead of ships and trucks. All along its length, capital ebbs and flows as income arrives, expenses are paid, and dozens of investments are made in everything from marketing to technology through banks hired to handle each transaction.

Just like our products, each of these systems comes with a price paid in atmospheric carbon. Understanding it is perhaps the final frontier in our quest to be a "real zero" business. In the same way that climate change is everywhere at once, so must our work to halt it be as well. We must look for undiscovered emissions wherever they hide and bring our values to every last link in our value chain, including those partners typically left out of the climate conversation.

Inside these pages, we'll talk about this new initiative and discuss the methodologies we're developing to assess business-to-business activities and alleviate their fallout. In doing so, we seek to push the practice of corporate environmental reporting dramatically forward and advance a far more complete vision of authentic climate leadership free of finger-pointing.

In that critical sense, we consider this report a summons to arms and a call to action both swift and sweeping. It is the blueprint for a cooler world. And we issue the challenge it contains to our stakeholders and our fellow businesses alike with all the haste we have.

Because the climate clock is ticking, and the hour for ambiguity has long since passed. With scientists and advocacy experts questioning the efficacy of the half-measures that today pass in too many corporate circles for meaningful change, civilization's moment of truth is here. We ask the world to meet it decisively. Anything less would be madness.

It's our wish that you take these words to heart and read the pages beyond them. In the end, we believe you'll find this report embodies a message of great hope. Though the fate of all we hold dear is indeed at stake, we know what to do. And that makes the solution a simple one. We just need to come together and do it.

In Service of Future Generations.

Ashley Orgain Chief Impact Officer





OUR 2021 CLIMATE IMPACT IN FULL DISCLOSURE



As you travel through your day, consider how many places you leave your fingerprint – on the door to your house, on your computer, on the coffee mug you used at your local bakery. **Your fingerprint** is likely not the only fingerprint on these items, but it is a mark of your impact. We envision our climate 'fingerprint' similarly.



At Seventh Generation, we measure our carbon footprint annually, assessing the impacts of our operations, our sourcing, our production, and our product use (i.e., Scope 1-3 emissions). We use this information to inform decisions about product formulation, packaging, and sourcing with the objective to reduce the total carbon footprint of our business. However, limiting ourselves to these emissions boundaries only tells part of the story of our climate impact.

Every year, we funnel millions of dollars into ancillary services to support our business operations, such as financial, insurance, and creative services. We pay taxes. We use our money to fund advocacy and philanthropic efforts.

How do the dollars we spend on these services and efforts contribute to a climate fingerprint attributable to Seventh Generation?

We know from the innovative leadership of people, like Bill McKibben, and organizations such as Project Drawdown, The Outdoor Policy Outfit, The Sunrise Project, Clean Creatives, and Influence Map that the answer lies in if and how our service providers leverage the money we pay them to then support the fossil fuel industry. It is important to break this cycle because fossil fuels are driving GHG emissions – 73% of total U.S. GHGs in 2020 were attributable to fossil fuel production and use. If we stop the flow of money to the fossil fuel industry, we can stop the worst effects of climate change. With the risks and hazards of a changing climate disproportionately impacting Black,

Brown, Indigenous People, and those who can least afford to manage the harmful effects, we must urgently deploy all available tools.

A FIRST STEP: MEASURE ALL OUR IMPACTS

We are well versed in measuring our carbon footprint. However, the climate impact of the suite of ancillary services we procure is not straight forward. There is no comprehensive roadmap, but, fortunately, there are efforts underway to tackle parts of the puzzle. Broadly, the approach includes analysis of:

- Scope 1, 2, 3 emissions
- management, and insurance
- Advocacy: campaigns, memberships, affiliations
- governance

For the quantitative analysis, we calculated the Scope 1, 2, and 3 emissions of our business activities using the boundaries set forth by the Greenhouse Gas Protocol standard, as we have done for years. With guidance from our partners at The Outdoor Policy Outfit, we also estimated the carbon fingerprint generated by our corporate investments and cash (i.e., money held by our - Unilever's banking partners). For the qualitative analysis, we

• Financial services: banking, investment

• Marketing & creative services: design, brand strategy, media buying, data management

• Philanthropy: Seventh Generation Foundation • Other: taxes, political contributions, and

THE DOMINANCE **OF FOSSIL FUELS**

73%

of total U.S. GHGs in 2020 were attributable to fossil fuel production and use.

drew from frameworks from Project Drawdown, The Sunrise Project, Clean Creatives, Influence Map, Ceres, and others to create a matrix of climate impact best practices, including transparency, commitments, business integration, and leadership. We then used publicly available data, and in some cases our own survey data, to evaluate the climate performance of each of our service providers on a lagging, progressing, leading scale.

We do not intend to shame our partners (we will not disclose names). Rather, our goals are to identify hotspots and to change the model for what it means to take meaningful corporate climate action. This is a first attempt and there will undoubtedly be things we've missed or better approaches. But we also know that we will no longer be complicit in amplifying the voice and power of fossil fuel-related companies.

See the Methodology Appendix at the end of this report for additional details



WE UNDERSTAND THAT THE URGENCY OF THE CLIMATE CRISIS **REQUIRES AMBITIOUS, SCIENCE-BASED ACTION FROM ACTORS** ACROSS THE BUSINESS, POLITICAL, AND COMMUNITY SPECTRUM. IN RESPONSE WE JOINED LEADING COMPANIES IN SETTING AGGRESSIVE GOALS TO MITIGATE GHGs.

Our Climate Impacts: FOOTPRINT



WHAT'S the goal?

OUR SCIENCE-BASED TARGETS DEFINE OUR AMBITION

2025 TARGET

(INTERIM)

Reduce Scopes 1 through 3, inclusive of consumer use, by 50% (+84% from 2012 baseline)

2030 GOALS

100% absolute Scope 1 and 2 GHG emissions reductions base-year (achieved, 100% reduced)

90[%]

absolute Scope 3 GHG emissions reductions from the use of sold products (+91% increase from 2012 baseline)

80%

absolute scope 3 emissions from remaining categories (+27% from 2012 baseline)



Our goals are ambitious because they target substantial reductions for our biggest hotspot -Scope 3 emissions, including consumer use, ingredients, and materials, which together account for most of our emissions (92%).

2021 ABSOLUTE GHG EMISSIONS

(1.07 million MT CO₂e)

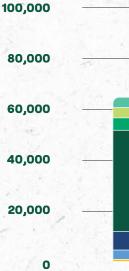
Scope 1 & 2 emissions have been completely reduced through purchase of renewable energy (electric and gas) through our public utilities.

92[%]

CONSUMER USE (SCOPE 3)

OTHER SCOPE 3 (e.g. INGREDIENTS, MATERIALS TRANSPORT, etc)

SCOPE1&2 **REDUCED TO ZERO THROUGH 100% RENEWABLE ENERGY**

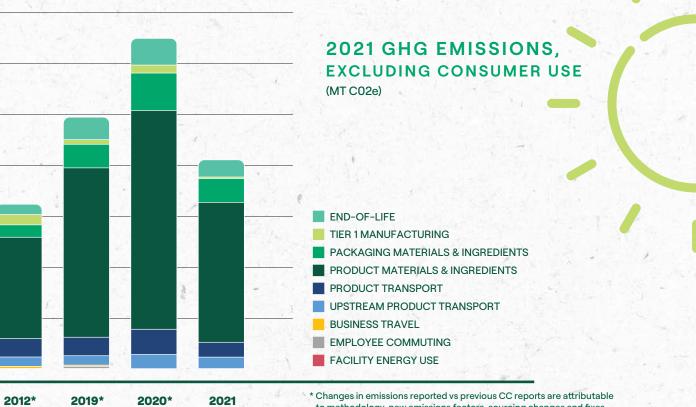


140,000

120,000

2021 FOOTPRINT

The story of our emissions since 2012 is complex, with contributions from sales and global market trends, innovation, and sourcing decisions. The bottom line is our absolute emissions have grown by 27% since 2012 but our carbon intensity has shrunk by 37%, meaning that in 2021 we emitted fewer GHGs for every unit of product plus packaging than we emitted in 2012 for an equivalent unit of product plus packaging. While we're not ready to celebrate yet, the downward trend indicates we are making progress.



to methodology, new emissions factors, sourcing changes and fixes to GHG calculations

Through 2020 our emissions grew steadily as our business grew. During this period, we introduced new formulations, entered new markets, used new transportation and sourcing systems, and sold more products. The outbreak of the COVID-19 pandemic amplified both growth in sales and emissions as demand for our cleaning products surged. In 2021, we felt the pressure of global supply chain disruptions and economic uncertainty and our sales adjusted downward to pre-pandemic levels. Our GHG emissions also fell due to a confluence of factors including sales, innovation, and business decisions.



SMALL DOSE big clean[™]

16.

SEVENTH GENERATION'S EASYDOSE™ ULTRA-CONCENTRATED LAUNDRY DETERGENT **RESULTS IN** 60% LESS PLASTIC. 50% LESS WATER. AND IS 75% LIGHTER WHEN COMPARED **TO OUR 100** FL OZ BOTTLE.

Seventh

EASYDOSE RATED LAUNDRY DETERGE

LAUTION: EYE IRRITANT HARMFUL IF SWALLOWED, SEE BACK PORE.

23.1 FL OZ LIQ (1.44 PT/CHOP) 683 mL

CHOIC

INNOVATION & SOURCING INTERVENTIONS

Since 2012, we have continuously improved our products and processes with the goal to reduce our climate impact. Much of our innovation is centered on concentrating our products so that less volume of product and packaging is produced and shipped. We've also targeted carbon interventions in areas including: palm-based surfactants, citrates, and energy use in our supply chain.

Concentration. Our EasyDose™ Ultra-Concentrated Laundry Detergent continues to support our carbon reductions. The product uses 60% less plastic and is 75% lighter when compared to our 100 fl oz bottle. In 2021, we continued to build consumer demand for the product and explored other concentration opportunities in our product portfolio.

Palm-based surfactants. Palm oil is a widely-used vegetable fat found in many packaged food and consumer products. We use palm kernel oil (PKO) in five of the surfactants used in our detergent and cleaning products - SLS, laureth 6, lauramine oxide, glycerin & oleic acid. Surfactants help our products mix into water and effectively remove dirt and oils. Unfortunately, unsustainable palm oil cultivation contributes to deforestation of tropical forests and increasing GHG emissions.

We have a three part strategy for palm oil: reduce reliance, replace with viable alternatives, and pursue regenerative production. While these strategies are underway, we will continue to source responsibly produced PKO. Seventh Generation joined the Roundtable for Sustainable

OUR 2021 CLIMATE IMPACT IN FULL DISCLOSURE

Palm Oil (RSPO) in 2008, and we've continued to purchase and use RSPO certified palm oil. RSPO certified products offer assurance of palm oil produced without deforestation and natural habitat conversion.

Citrates are added to cleaning products to help them work more effectively, requiring less detergent for the same cleaning effort. To reduce the footprint of citric acid and sodium citrate we've changed some of our sourcing from a producer in China to a producer in Europe and in North America with a lower carbon footprint.

REDUCE **OUR IMPACT**

We will continue to pursue lower carbon impact ingredients and materials, prioritizing surfactants and fibers as a first step.

Green Power Our target is to convert all Seventh Generation manufacturing



partners and vendors to renewable energy and green power. In 2021 we funded green energy improvements for all our significant suppliers. For suppliers unable to make in year improvements, we purchased renewable energy credits for their emissions from Native's New Renewables Portfolio. All told, our Green Power Program investments resulted in 4,882 MT of GHG reductions.

WHAT'S AHEAD: Further Reducing Our Climate Impact

ADVOCATE FOR SYSTEMIC **POLICY SOLUTIONS**

We will continue to support a transition to renewable energy for all.

STRATEGIC ENGAGEMENT

We will build green power and renwable energy requirements into Tier 1 and 2 supplier contracts and help our partners make the switch.





'CLIMATE FINGERPRINTS' IS A NEW CONCEPT IN CORPORATE CLIMATE DISCLOSURE AND ACTION. IT IS NOT AS FINELY HONED AS A 'CARBON FOOTPRINT', WHICH HAS A TECHNICAL <u>DEFINITION</u> AND ACCEPTED METHODOLOGIES FOR ASSESSING. YET, WE CAN'T GET TO REAL ZERO UNLESS WE UNDERSTAND ALL THE WAYS OUR BUSINESS CONTRIBUTES TO THE CLIMATE CRISIS.

OUR 2021 CLIMATE IMPACT IN FULL DISCLOSURE



Our Climate Impacts: FINGERPRINTS



"Despite the highly publicized growth in green and environmental, social. and governance (ESG) offerings from their investment arms, many banks are still major suppliers of capital to carbonintensive sectors and the fossil fuel industry providing loans as well as underwriting and issuing bonds to maintain the flow of funds into these sectors."

- THE CARBON BANKROLL, 2022



OUR FINGERPRINT: Financial Institutions

AN OVERVIEW

Like most businesses, Seventh Generation, through our parent company Unilever, has relationships with financial institutions that manage corporate cash, investments, and insurance policies. Unilever relies on sophisticated institutional banks and insurance providers to help manage the complex financial needs of its brands.

See the full fingerprint data tables in the appendix

Around the world banks and insurance companies play a significant role in the economy; in 2021, the U.S. financial services industry <u>accounted</u> for approximately 7.4% (\$1.5 trillion) of the country's market value. At the most basic level, banks raise funds and invest them in sectors and activities that they believe will generate profit.

Through underwriting, insurance companies help companies to mitigate risk from their business activities.

Together, <u>global banks</u> and <u>insurance companies</u> invested over \$1.3 trillion in the fossil fuel industry in 2019 alone.

These large financial institutions have several levers for climate action. The first and most familiar, is their own corporate emissions (i.e., direct, upstream, and downstream), and like their peers across the corporate landscape, there are leading performers and laggards. Leaders set robust climate targets, such as SBTi-aligned goals, disclose a clear pathway to their transition to a real zero carbon economy, and are public advocates for policies to halt the climate crisis. Some laggards thwart climate action by advocating on behalf of fossil fuel interests, but many simply do not act with enough rigor or urgency. A second, for insurance companies primarily, is their underwriting. Insurance and reinsurance companies provide policies to fossil fuel companies, thereby facilitating their ability to expand the production of emissions-intensive oil, coal, and natural gas. The third and more complex climate lever to assess, is their investments.

Corporate banks and insurance companies use the assets from companies like Unilever to finance their own investments across a range of sectors and activities. At the most basic level, investments in fossil fuel extraction will yield higher emissions than investments in renewable energy installations. While there is new guidance for financial institutions to measure the climate impacts of their investments, from orgnizations like the <u>Partnership for Carbon Accounting Financials</u> and the <u>Greenhouse Gas Protocol</u>, companies like Seventh Generation continue to be one step removed from understanding how our dollars are being used to fuel the climate crisis. Fingerprint analysis Financial Service & Insurance Providers



BANKING progressing but room for improvement



RETIREMENT PLAN MANAGERS lagging

INSURANCE progressing but room for improvement



MT CO2e SEVENTH GENERATION'S ESTIMATED FINANCED EMISSIONS, 2021

Using a methodology developed by the authors of the <u>Carbon Bankroll Report</u>, we estimated our portion of Unilever U.S.' financed emissions.

OUR FINGERPRINT

We evaluated the climate performance of our (Unilever's) banking, investment, and insurance partners across a set of qualitative criteria and, based on these findings, assigned a 'score' lagging, progressing, or leading. At the highest level, all our financial partners are taking some climate action, but there is a lot of room for improvement.

LESSONS LEARNED

This exercise has taught us:

- Our estimated financed emissions are equivalent to our manufacturing footprint, meaning significant enough to work on.
- All businesses should have access to tools to measure financed emissions
- We must engage & influence our partners & larger industry players (e.g., Unilever) to decarbonize their finances

Businesses like Seventh Generation rely on a cadre of marketing, consumer insight, public relations, media buying, and creative services to help grow our brand. Unlike our financial services partnerships, we have direct control over most of these relationships. The firms we engage range in size - both in terms of resources and influence - which means they have varying levers for climate action.

TRANSPARENCY

- Progressing public disclosure of climate risks & performance
- Lagging disclosure of fossil fuel-related investments and/or clients
- Few guardrails e.g., 'no' to fossil fuel expansion

BUSINESS INTEGRATION

- Some. but limited. climate friendly products and
- Lagging climate guardrails for ancillary services
- Lagging investments in climate equity
- Progressing governance for climate, but with few KPIs

COMMITMENTS

- Progressing science-based climate commitments
- Primarily aligned with the less rigorous <u>UN Net-Zero Banking</u> **Alliance**
- No Science-Based Targets Initiative targets

THE 2021 CLIMATE PATTERNS AND PERFORMANCE OF **OUR FINANCIAL** INSTITUTION AND **INSURANCE PROVIDERS**



LEADERSHIP

- Some public advocates for defunding

- Progressing leadership for climate







OUR FINGERPRINT: Marketing & **Creative Services**

AN OVERVIEW

See the full fingerprint data tables in the appendix

The first lever is their own corporate emissions (i.e., direct, upstream, and downstream). For some small businesses, these emissions are quite small, but others have more substantial footprints. Leading firms measure their climate footprints and set sciencealigned targets (e.g., SBTis) to reduce their impacts. Firms can also use their voice to advocate for better

"Advertising and PR agencies that have fossil fuel clients are misleading the public, and their greenwashing hurts both clean brands that are working hard for real change in their businesses. and the global efforts to stop the climate emergency."

- CLEAN CREATIVES

FINGERPRINT ANALYSIS Marketing & **Creative Services**

There is tremendous opportunity for building climate capacity and leadership in our marketing and creative services partner pool.



MARKETING & CREATIVE SERVICES lagging

marketing, media, and creative business partners that worked with Seventh Generation in 2021



climate policies. Whether it's by becoming a B-Corp, supporting public policy, or joining alliances that advance climate action, all firms - big and small have a role to play to advance a safe climate future.

The second lever is their client roster. Marketing and creative firms have agency to decide whom they work with and whom they exclude. Research by Comms Declare and Clean Creatives finds there are increasing reputational risks for agencies that work with fossil fuel companies. Leaders categorically reject work from fossil fuel companies, and some prioritize work for clients advancing climate action and just climate solutions. Laggards take no action or worse, amplify the power of companies obstructing the pathway to a safe climate future.

Media buying and data service providers have an added and complex climate lever. Our media buying partners identify which, mostly digital, platforms to use to reach our target consumers. Some of these platforms, like Facebook, are under scrutiny for allowing fossil fuel companies to promote the ongoing use of oil and natural gas. Moreover, due to a lack of transparency about how large tech companies use data, we do not know how our consumer data is used to fuel the misinformation strategies of big oil and gas companies.

OUR FINGERPRINT

There is tremendous opportunity for building climate capacity and leadership in our marketing and creative services partner pool. Qualitative analysis of the climate action of our marketing and creative services partners paints a picture of an industry that is under performing. Using our own survey tool and publicly available information (e.g., website), we analyzed the

BUSINESS INTEGRATION

Limited prioritization of real zero business activities

• No climate guardrails for ancillary services

LESSONS LEARNED

- Businesses need a methodology to quantify the emissions from our marketing & creative services
- We must engage our partners big & small – to improve climate action
- Collective action is needed to untangle the climate impact of media buying

TRANSPARENCY

Lagging public disclosure of climate risks & performance

• Lagging disclosure of **fossil** fuel-related clients



CREATIVE SERVICE PROVIDERS

LEADERSHIP

Some, but limited, climate justice

Lagging public leadership for climate action e.g., Clean

COMMITMENTS

- Lagging sciencebased climate commitments
- Primarily ad-hoc GHG reductions
- Limited **guardrails** e.g., 'no' to fossil fuel expansion'

THE 2021 CLIMATE PATTERNS AND **PERFORMANCE OF** OUR MARKETING AND **CREATIVE SERVICE** PROVIDERS



25.

Each year U.S. oil and gas companies, and their affiliated trade organizations, spend hundreds of millions of dollars to obstruct climate legislation and protect the status quo for their industries.



OUR FINGERPRINT: Advocacy

OVERVIEW

Advocacy is the not-so-secret tool of businesses, like Seventh Generation, aiming to influence climate action - either for the better or the worse. Each year U.S. oil and gas companies, and their affiliated trade organizations, spend hundreds of millions of dollars to obstruct climate legislation and protect the status quo for their industries. These efforts run counter to the urgent recommendations from scientists who call for a drastic curbing of fossil fuel use to ensure a just and safe climate future. While there is a growing trend of corporate actors, such as our parent company Unilever, advocating for policies that align with the Paris Agreement, few companies are aligning their advocacy agendas with the policy priorities of the climate justice movement.

See the full fingerprint data tables in the appendix

The worst impacts of climate change are experienced by the most vulnerable populations – including in economically disadvantaged communities, BIPOC

OUR 2021 CLIMATE IMPACT IN FULL DISCLOSURE

communities, and by women and youth. While many community-focused advocates have long focused their attention on these populations, climate justice in corporate advocacy is rare. As the climate crisis grows and the effects of climate change are felt across corporate supply chains, impacting corporate bottom lines and consumer confidence, an increasing number of corporate actors are engaging in broad-based climate advocacy. Too often that advocacy has not included the perspective of communities on the frontlines of the climate crisis and the fossil fuel economy.

Our advocacy tool kit includes endorsements, memberships, and sponsorships. Seventh Generation endorses and supports campaigns run by organizations working to change policy at the state and federal levels of government. We lend our voice and technical skills to these efforts and for key campaigns, also encourage our consumers to take action. In 2021, our campaign endorsements included:

Climate & Fossil Fuels

 Climate President Action Plan • Green New Deal Network, THRIVE Agenda • #BuildBackFossilFree Executive Action Agenda Indigenous Environmental Network & We Stand United, Shut down DAPL & Support Standing Rock • Oil Change International, Sign-On Letter to President Joe Biden: Act Now to #StopLine3

• Business Forward, Tell Albany to fund New York's clean energy transition

• Ceres, Business/Investor Letter in Support of an Ambitious U.S. 2030 Climate Goal

FINGERPRINT SCORE Advocacy

While our partner-driven advocacy model is industry-leading in both it's grounding in deep relationship building and progressive policy stances, there's work to do to formalize our feedback and evaluation process.



ADVOCACY progressing but room for improvement

18.2

million impressions

6_8

million in Reach

25,837 new action takers in 2021



27.

- Center for Biological Diversity, \$16 Trillion Needed in Infrastructure bill for Just **Transition to Clean, Renewable Future**
- Stop Fossil Fuel Exports, Ban Fossil Fuel Exports: sign on letter to President Biden
- Stop Fossil Fuel Exports, Sign-On Letter **Calling for Climate Review of Federal Fossil Programs under the National Environmental** Policy Act, Other Laws
- Food and Water Watch, Block All New (BAN) **Oil Exports Act**
- Green New Deal Network, THRIVE Act
- #BuildBackFossilFree, Congress should enact a federal Renewable Electricity Standard and reject gas and false solutions
- Friends of the Earth, "Net-Zero" Is a **Dangerous Distraction**
- American Sustainable Business Network. **Build Back Better**
- #BuildBackFossilFree, Tell President Biden: Stop Approving Fossil Fuel Infrastructure
- #BuildBackFossilFree, Line 3: Letter to President Biden
- Business for Innovative Climate and Energy Policy, A Letter to Congress: U.S. **Businesses and Investors Support Ambitious Climate Investments in the Bipartisan** Infrastructure and Build Back Better **Budget Reconciliation Packages**

• Justice

- Asian Americans Advancing Justice Atlanta, A Community-Centered **Response to Violence Against** Asian American Communities
- O Black Economic Alliance, Black Executives **Call on Corporations to Fight Restrictive** Voting Laws
- Don't Ban Equality, Don't Ban Equality in Texas
- Business for America, Business Letter
- to Congress in Support of Voting Rights
- Business for America, Businesses **Support Secure Elections**

We also use our memberships in industry organizations and coalitions to advance our real zero and climate justice agendas.

• Our memberships include:

- American Chemical Society
- American Chemical Society
- American Sustainable **Business Network**
- B Corp
- Ceres & BICEP
- Green Chemistry **Commercial Council**
- Vermont Businesses for Social Responsibility

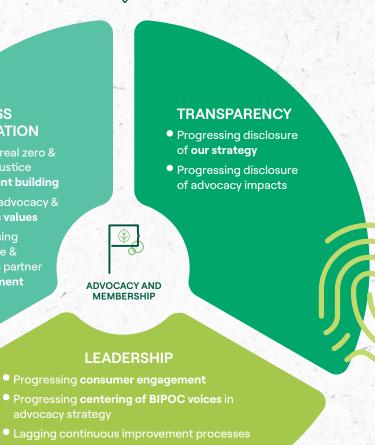
OUR FINGERPRINT

At Seventh Generation we are proud of our long-standing commitment to public policy advocacy that advances our vision for a safer, more just, and more sustainable world. It's difficult to gauge our climate impacts, as much of this work is long-term and incremental, yet our analysis reflects leading efforts in the alignment of our advocacy with our values and business strategy, in addition to our industry leadership. It also shows opportunities to deepen our engagement with stakeholders and be more transparent about our efforts.

BUSINESS **INTEGRATION**

- Leading real zero & climate justice movement building
- Aligned advocacy & business values
- Progressing employee & business partne engagement

THE 2021 CLIMATE PATTERNS AND PERFORMANCE **OF OUR ADVOCACY AND MEMBERSHIPS**



• Leading industry voice

"The people most responsible for climate change historically – globally, as well as domestically – are not the same people who are feeling the pain first, worst and longest. If you're just talking about greenhouse gases and parts per million, you're not seeing the issues around vulnerability and justice."

- ROBERT BULLARD

FINGERPRINT ANALYSIS Philanthropy

We believe we've been leading philanthropists, but there is opportunity to do more to support climate justice and indigenous focused funding.



PHILANTHROPY progressing but room for improvement

^{\$}461,100

2021 giving through direct grants and employee giving.

OUR FINGERPRINT: Philanthropy

OVERVIEW

While difficult to quantify, corporate philanthropy can leave a climate fingerprint. Decisions about which efforts to support, at what resource level, who is leading these efforts, and evaluation protocols all contribute to a company's philanthropic impact on the climate crisis. These choices matter today, more than ever.



See the full fingerprint data tables in the appendix

Climate and climate justice are woefully undersupported by philanthropic giving. Research from Climate Works found that less than 2% of global philanthropic support is allocated to mitigating climate change. Compounding the problem, historically, philanthropy has underinvested in BIPOC-led organizations. A New School and Building Equity and Alignment study of giving by top U.S. environmental founders, found that a very small portion of funding (1.3%) was directed to BIPOC-led, justice-focused groups.



GRANT AREA

Environmental Health

Climate Justice

Vermont

2017 \$261,000

1 Due to the confluence of business factors described in Our Climate Footprint, our 2021 Foundation giving also fell and we were not able to meet our anticipated giving target.

In 2021 our Foundation distributed over \$461,000 through direct grants to non-profit organizations advancing climate justice, environmental health, and racial justice. These organizations included:

GRANTEE	GRANT AWARD
Breast Cancer Prevention Partners	\$55,000
Alliance for a Clean and Healthy Vermont	\$55,000
	·
Fund for Frontline Power administered by The Solutions Project	\$250,000
	·
2020 Toxin Free Kids Nap Mat Exchange Program	\$71,100
City of Burlington — Racial Equity Inclusion and Belonging	\$30,000

TOTAL 2021 BOARD DIRECTED GRANTS \$461,000

Foundation Giving, since 2017: \$2,356,707





This inequity has led advocates and philanthropy experts, such as The Donors of Color Network and EdgeFunders Alliance, to call for greater support for climate justice and philanthropy equity.

OUR FINGERPRINT

Seventh Generation runs a small foundation that since its founding in 2012 has made grants to nonprofit 501(c)(3) organizations that work to eliminate chemicals of concern from the marketplace that threaten the health of pregnant women, children and workers, by funding efforts for scientific research, education and public policy reform. In 2019, the Foundation expanded its portfolio to include climate justice, launching a grant program focused specifically on supporting organizations working to speed the transition to an inclusive clean energy future that protects the health of those most impacted by the fossil fuel industry and a changing climate. In the same year, the Foundation committed 50% of grants be directed to indigenous led organizations going forward.

We believe we've been leading philanthropists with our commitment to climate justice and indigenous focused funding. Additionally, the Foundation was one of the first to take the Donors of Color Climate Justice Funders pledge which directs greater resources to BIPOC-led power building groups. However, we also recognize that we can go further.

WHAT'S NEXT

For over 30 years, Seventh Generation has built a company based on a belief system inspired by Native American wisdom. What was born out of admiration, we've come to understand is appropriated from something that was not ours. We are overdue confronting and repairing this harm. In 2021 and into 2022, the Foundation initiated work to redesign our grant program so that 100% of Foundation grant funds are informed by and directed to indigenous led organizations.

Leadership

- Centers BIPOC voices: We are working with Indigenous leaders to co-design the grant program, grant criteria, and advise on program governance. The effort will include Indigenous voices from across the U.S., through participation in workshops, surveys, and/or interviews. Additionally, the Foundation will establish an Indigenous Advisory board and will invite an Indigenous person to serve on the Foundation board.
- Responsive & trusting: We will minimize the reporting requirements and overhead burden of grantees. We will invest in our relationships and build collaborative ways of working that incorporate ongoing improvements in our process.
- Mobilize: 100% of Foundation grant funds will be informed by and directed to Indigenous lead organizations.

Transparency

- their efforts.

Values and Business Integration

 Disclosure: We will be transparent in our decisionmaking process and make this information easily available to those who are interested.

• Amplify work: We will use our voice and our platforms, such as social media accounts, partnerships, and public speaking engagements, to amplify the work of grantees by highlighting

• Advance the movement: As we have done in the past, our work will advance environmental and justice movements that we, as a business, value, including but perhaps not limited to climate justice.

• Advance our strategy: Our grants will align with our corporate approach and strategy on climate justice. **"Seventh Generation** joined The Solutions Project to support the **Fund for Frontline** Power, governed by grassroots climate justice organizers, including Indigenous organizers, to direct funds where they see the greatest need and opportunity for impact. This is selfdetermination; this is what solidarity in philanthropy looks like."

- GLORIA WALTON, PRESIDENT + CEO, THE SOLUTIONS PROJECT

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Future generations and those alive today can't afford to wait. We must stop the climate crisis now. Together, our climate footprint and a better understanding of our climate fingerprints help to inform our roadmap to a safer and more just climate future.



OUR FINGERPRINT: Other Areas to Consider

OVERVIEW

Carbon fingerprints also extend to other areas of business spending, specifically taxes and political contributions.

TAXES

At the local, state, and federal levels, governments collect tax revenue from businesses and invest it in infrastructure to support the interests of their constituents. Like corporate spending, some of this investment can be directed to transition to a net zero future, while other spending may bolster the interests of fossil fuel production.

Seventh Generation is part of our parent company's consolidated tax return, and we do not have a methodology to isolate our tax liabilities.

POLITICAL CONTRIBUTIONS

Seventh Generation does not make contributions to political candidates.



We will develop robust strategy informed by learning from our new climate impact approach to curtail the flow of corporate dollars to fossil fuel related industries

WE WILL DO THIS BY EXECUTING OUR THREE-PART CLIMATE STRATEGY.

REDUCE **OUR IMPACT**

- Pursue reduction, replacement or removal strategies to reduce GHGs in materials, ingredients, and packaging
- Achieve 100% green energy to reduce manufacturing GHGs



Seventh Generation's **CLIMATE PLEDGE**

We will take responsibility for our carbon footprint and fingerprint

We will engage our parent company and our partners in the financial services, insurance, marketing and creative services industries to take bolder, more urgent action to ensure a just and safe climate future



ADVOCATE FOR SYSTEMIC **POLICY SOLUTIONS**

- Advance just climate solutions to reduce consumer use
- Divest from fossil fuels
- Invest in a just, equitable, and renewable energy future

BELIEVE IN A Seventh

STRATEGIC **PHILANTHROPY**

- Invest in frontline communities leading the way out of the climate crisis
- Direct 100% of philanthropic giving to Native American organizations

"Money is the oxygen on which the fire of global warming burns."

- BILL MCKIBBEN

Seventh

A MESSAGE FROM **KATE OGDEN**, ADVOCACY AND MOVEMENT BUILDING MANAGER

A Call TO ACTION

TO HEAD OFF THE WORST IMPACTS OF THE CLIMATE CRISIS AND PRESERVE A LIVABLE FUTURE, TWO THINGS HAVE TO HAPPEN, AND THEY HAVE TO HAPPEN FAST: WE MUST KEEP FOSSIL FUELS IN THE GROUND, AND WE MUST RAPIDLY ACCELERATE A TRANSITION TO A JUST AND EQUITABLE RENEWABLE ENERGY ECONOMY.

OUR 2021 CLIMATE IMPACT IN FULL DISCLOSURE

The latest IPCC report was unequivocal, the emissions from already existing and planned fossil fuel infrastructure will push us well past 1.5°C, and likely past 2°C average global temperature rise, to devastating ends. As U.N. Secretary-General António Guterres has said, "Investing in new fossil fuel infrastructure is moral and economic madness." And yet, as we learned through the process of creating this report, decisions we make and dollars we spend and invest across our business are funding and underwriting fossil fuel infrastructure, are potentially funding the media and PR campaigns serving to extend the social license of the fossil fuel industry, may be funding lobbying efforts to deny or delay just climate action.

We knew when we started this process that we would find hotspots, areas of climate impact that we were not previously aware of and so not setting strategy to address. Finding them was step one. The greater and more important task is still ahead of us. From here, we must find a way to address each of these hot spots in turn. In some cases, particularly on the marketing and creative side, the way forward is relatively clear. With new guardrails and criteria, we can call for change from our service providers, and where change does not come, we can find new service providers, whose policies and practices align with a safe and equitable future.



But what about the financial institutions we bank with, invest in, and purchase insurance policies from? Not only does Seventh Generation not make decisions related to these service providers our parent company, Unilever, does — these are industries where there are few, if any, better options to be found.

The truth is that we cannot do this alone. And while we look forward to engaging with Unilever as we set a path forward, very likely Unilever cannot do this alone either. To change these industries, which are using corporate cash to build out new fossil fuel infrastructure the way one might pour gasoline on a wildfire, it is going to take more of us. More companies, representing more spending power, acting together to demand change. **Are you in?**

If you're not sure where to start, we recommend starting where we did. Follow the money. We provide resources in the appendices of this report. And when your company is ready to join us in a journey of learning and taking collective action, drop us a line at <u>climate.fingerprints@</u> seventhgeneration.com.

We need you.

Kate Ogden Advocacy and Movement Building Manager

FINANCIAL INSTITUTIONS



OUR FINGERPRINT: FINANCIAL INSTITUTIONS Commitments Transparency

- for new fossil fuel expansion.

ADDITIONAL DETAILS ON PERFORMANCE

APPENDIX 1: Fingerprint Details & Analysis

WE EVALUATED THE CLIMATE PERFORMANCE OF OUR SERVICE PROVIDERS AND PARTNERS AGAINST A SET OF QUALITATIVE CRITERIA OF CLIMATE STRATEGY AND IMPACT BEST PRACTICES. THESE CRITERIA INCLUDE OUR OWN THOUGHTS ABOUT CORPORATE CLIMATE KPIS AND ALSO DRAW FROM THINKING FROM PROJECT DRAWDOWN, THE OUTDOOR POLICY OUTFIT, CLEAN CREATIVES, CERES, AND OTHERS.



eventh



TRANSPARENCY			СОММІ	TMENTS	BU	SINESS IN	TEGRATI	ION	1.2.1	LEADE	RSHIP	
GHG emissions	Climate priorities	Fossil fuel investments & clients	NetZero	Science-Based Climate Target (1.5°C)	Real zero aligned core activities	Real zero aligned ancillary activities	Climate justice aligned activities	Climate governance	Advocacy & Iobbying	Philanthropy	Political contributions	Industry influence
D	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	.0	0	0	0	0	0	0	0
D	0	0	0	0	0	0	0	0	0	0	0	0
luation	of the clima	ate performa	ance of our/l	Jnilever U.S. p	partners		1000		O Lagg	ing _O Pro	gressing	Leading

 Disclosure: Many disclose their climate risks and performance (i.e., Scope 1, 2, and 3 emissions), including through their websites, annual reports, and investor platforms, such as the Task Force for Climate Disclosure and CDP frameworks. The exception is our retirement plan manager, which has minimal climate disclosure.

• Fossil fuels: Few disclose fossil fuel-related investments and/or clients. Media reports suggest that many of our partners have significant investments in companies responsible for fossil fuel production, but we could not confirm this through public disclosures. Only a couple of our partners publicly committed to ceasing support

- Targets: Most have climate commitments, primarily Net Zero targets aligned with the industry-led, UN-convened Net-Zero Banking Alliance. While a step in the right direction, these Net Zero Targets are not as robust as forthcoming Net Zero Standard for Financial Institutions from SBTi which are anticipated to have more stringent requirements, including disallowing heavy use of offsets.
- Science aligned targets: None set SBTI climate targets. The lack of engagement with this leading standard, which other financial institutions have embraced, signals a gap in the scale of commitments required to truly address the problem.



Business Integration

- Climate aligned products: Our financial partners offer some, but limited, products and services that align with a net zero future, such as climate smart investment products, funds that support clean energy, and programs to transition into a renewable energy economy.
- Supply chain: It is not clear from publicly available information if climate-related parameters extend into procurement practices – media reports suggest they do not.
- Justice: We did not find evidence of significant investments to support climate equity.
- Governance: Most companies include responsibility for ESG performance, into their Board, leadership, and workforce governance, but few identify specific KPIs related to climate performance.

Leadership

- Lobbying: While most do not lobby or make political contributions directly, analysis of their agents' (e.g., industry organizations) activities yield mixed results. Many organizations they support have passive climate positions - neither vociferously for nor against climate action.
- Political contributions: The same cannot be said for many of the political candidates supported by related political action committees (PACs), many of whom are on record opposing Federal climate action or even the existence of climate change at all.
- Philanthropy: Some support climate equity in BIPOC communities through charitable giving and volunteerism, however, none have philanthropy pillars dedicated to advancing climate justice.
- Leadership: Many use their influence and voice to advance climate action through participation in financial sector climate working groups (e.g., Net Zero Banking Alliance, TFCD). These efforts are a good start but not enough. Some of our insurance partners take more leading positions and clearly advocate for robust and urgent action, such as Federal regulations and defunding of new fossil fuel expansion.

MARKETING & CREATIVE SERVICES



Transparency

- performance publicly.
- public positions on the topic.

Commitments



1	СОММІТ	MENTS	BUS	SINESS IN	TEGRATI	ON		LEADE	RSHIP	1.75
investments & clients	NetZero	Science-Based Climate Target (1.5°C)	Real zero aligned core activities	Real zero aligned ancillary activities	Climate justice aligned activities	Climate governance	Advocacy & Iobbying	Philanthropy	Political contributions	Industry influence
0	0	0	0	0	0	0	n/a	0	n/a	0
0	0	0	0	0	0	0	n/a	n/a	n/a	0
	ø	à	nents & ro e-Based e Target	nents & ro e-Based e Target rro aligned :tivities	nents & ro e-Based e Target ro aligned ctivities ro aligned v activities	nents & ro e-Based e Target tro aligned ctivities ro aligned y activities e justice e justice	nents & ro e-Based e Target tro aligned ctivities ro aligned y activities e justice e justice e ance	vivestments & clients vivestments & clients viet Zero viet Zero </td <td>Investments & clients Clients Net Zero Net Zero Climate Target (1.5°C) Real zero aligned Core activities out O Nationate Justice aligned activities obbyving Philanthropy</td> <td>vivestments & clients vivestments vivestmen</td>	Investments & clients Clients Net Zero Net Zero Climate Target (1.5°C) Real zero aligned Core activities out O Nationate Justice aligned activities obbyving Philanthropy	vivestments & clients vivestments vivestmen

OUR FINGERPRINT: MARKETING & CREATIVE SERVICES

 Disclosure: Very few calculate their carbon footprints, and the handful that do have limited disclosure. Some calculate only their Scope 1 & 2 emissions and only larger firms share their sustainability positions and

• Fossil fuels: One has an internal policy not to accept fossil fuel industry-related clients, however none have

• Targets: The majority do not have science-based climate commitments, which is not surprising given the smaller size of most of our creative partners. Some have ad-hoc efforts to reduce their GHG emissions and a couple have measurable reduction targets.

Business Integration

 Climate aligned clients: Climate change does not seem to factor into most business development strategies with the exception of one that has adopted a corporate policy disallowing fossil fuel clients. While several have clients working to advance a net zero-carbon future (e.g., clean energy), they do not seem to strategically prioritize this type of work.

Leadership

• Philanthropy: Some support climate justice through charitable giving and volunteerism, however, none have philanthropy pillars dedicated to advancing climate justice.



	TRANSF	PARENCY	BUSINE	SS INTEGR	RATION		LEAD	ERSHIP	-
	Strategy & impacts disclosure	Investments & sponsorships disclosure	Real zero & climate justice movement building	Real zero & climate justice corporate/ org strategy	Internal stakeholder engagement	Consumer & public engagement	BIPOC inclusion	Continuous improvement process	Industry influence
Seventh Generation Advocacy	0	0	0	0	0	0	0	0	0
Nembership & Industry Association Advocacy	0	-0	0	0	0	0	0	unknown	0

OUR FINGERPRINT: ADVOCACY

Transparency

- Disclosure: While we are open about our advocacy work and partners, we could do more to share our efforts publicly, including details of our strategy, KPIs, and performance.
- Amplification: We opportunistically use our voice and our platforms, such as social media accounts, partnerships, and public speaking engagements, to amplify our advocacy efforts. We could do more to build consumer, supply chain, and retail partner knowledge about our advocacy priorities and how they relate to our business.
- Values and Business Integration

- Advance the movement: Our advocacy targets legislative efforts to advance the climate justice movements
- Advance our strategy: Our advocacy aligns with our business strategy, focusing on climate justice elements including toxics reductions, clean energy access, and climate mitigation.
- Internal engagement: We regularly encourage our employees and our Social Mission Board to engage on our advocacy campaigns, however, we could do more to engage our supply chain partners and auxiliary service providers in our climate justice advocacy.

Climate Advocacy Leadership

- into impact
 - Impressions: 18,246,998
- · Reach: 6,810,515

PHILANTHROPY

Seventh Generation Founda

42.

• External engagement: We strategically engage our consumers and our peers in the business community in our advocacy campaigns. In 2021 we reached millions of consumers through social media and email campaigns; however, we do not yet have a strategy for translating this engagement

• # of consumer advocacy actions in 2021: 31,242

• **# of new action takers in 2021:** 25,837

- BIPOC centering: Many of our partner organizations are BIPOC-led and focus on issues impacting vulnerable communities. The nature of our work is to join these leading organizations and lend our voice to their work. However, internally, we don't have a formal structure to incorporate BIPOC perspectives into our own strategy, including a feedback structure.
- Mobilize: 100% of our advocacy work targets climate justice.

~	C		ILANTHROP RSHIP	Y	TRANSF	PARENCY	VALUES & INTEGE	
	Centers BIPOC voices	Responsive & trusting approach	Continuous improvement process	Real zero & climate justice movement building	Process disclosure	Grantee impacts disclosure	Advances climate &/or climate justice movement	Advances company's climate strategy
tion, prior to 2021	0	0	0	0	0	0	0	0



A Place **TO START**

Companies like ours, with complex opportunities and challenges, have several avenues to deepen their climate commitments.

GETTING STARTED

MEASURE

UNDERSTAND THE CURRENT PRACTICES, POLICIES, AND PERFORMANCE OF SERVICE PARTNERS

- Conduct a qualitative assessment of partners' corporate climate practices. Review key documents such as Annual Reports (10-Ks), ESG reports, submissions to CDP or climate reports using the Task Force for Climate Related Disclosure framework.
- Estimate the carbon fingerprint or the scale of impact using new methodologies by organizations such as The Outdoor Policy Outfit or Ceres.
- Identify hotspots for improved performance
- Set goals to improve company performance and change the system

INFLUENCE

THIS IS A RAPIDLY EVOLVING SPACE AND WHILE IT MAY NOT BE POSSIBLE TO SWITCH PROVIDERS, COMPANIES CAN ENGAGE CURRENT ONES.

- Connect with partners' sustainability teams to understand the future direction of their policies and practices and advocate for action on hotspots.
- Identify win-wins or areas for collaboration with partners on climate action (e.g., Clean Creatives pledge, product innovation)
- Recruit leadership to make clear the importance of climate action to the business. If necessary, engage decision-makers at the parent company-level.

ACTIVATE

USE CORPORATE POWER, VOICE, AND INFLUENCE TO CHANGE PRACTICES AND THE LANDSCAPE.

- Provide financial or other support to organizations developing zero-carbon alternatives, such as climate-friendly insurance plans, low carbon investment financial products, accountability and measurement tools.
- Pilot innovations and adopt innovative approaches
- Adopt guardrails, or minimum criteria, to evaluate new service providers and prioritize those with better climate performance.
- Empower employees to make their own decisions about climate risks associated with financial services, possible alternatives, and advocacy.
- Speak publicly about the importance of bolder climate action in the financial services and insurance sectors.

EVALUATION MATRICES

OUR 2021 CLIMATE IMPACT IN FULL DISCLOSURE

OUR 2021 CLIMATE IMPACT IN FULL DISCLOSURE

APPENDIX 2: Evaluation Frameworks

THE FOLLOWING DETAILS THE QUALITATIVE FRAMEWORK WE DEVELOPED TO EVALUATE THE CLIMATE PERFORMANCE OF OUR PARTNERS.



FINANCIAL & CREATIVE SERVICES QUALITATIVE EVALUATION MATRIX

		N/A	LOW (1)	MEDIUM (3)	HIGH (5)
	Publicly disclose total emissions annually		LIMITED Limited. Scope 1 and 2 only	SOME 1, 2 Scope 3 emissions covering less than 2/3 of Scope 3 emissions	COMPREHENSIVE Comprehensive
TRANSPARENCY	Communicate climate risks & priorities		LIMITED No SMART goals. Occasional discussion of climate initiatives on blogs, websites.	SOME SMART goals. sustainability report but with limited scope and disclosure (e.g., only Scopes 1, 2)	COMPREHENSIVE TFCD, Sustainability report, CDP, other third party frameworks
TRAN	Disclose fossil-fuel related investments/clients		LIMITED Little to no public disclosure, or disclosure that is not readily accessible by public (e.g., buried in Federal paperwork)	SOME Some public disclosure, readily available to public	COMPREHENSIVE Full public disclosure,
	The second	No.	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
COMMITMENTS	Commit to Net Zero by 2050		NOT ALIGNED No commitment	SOME ALIGNMENT Commitment but not aligned with SBTi	FULL ALIGNMENT SBTi aligned Net Zero Commitment with disclosure of transition plan, including interim targets
COMM	Commit to a Science- Based Climate Target (1.5°C Pathway)	1	NOT ALIGNED No SBTi commitment	SOME ALIGNMENT Commitment but no disclosure of transition plan	FULL ALIGNMENT Commitment with disclosure of transition plan, including interim targets
Service 1 to 1	Align core business activities with a net zero future		NOT ALIGNED Core products, policies, or services support fossil fuel industry or inhibit natural carbon sinks (e.g., no anti- deforestation policy)	SOME ALIGNMENT Some core products, policies, or services support transition away from fossil fuel industry and support carbon sinks (e.g., deforestation policy, renewable energy commitments)	FULL ALIGNMENT Time bound goals to transition core products, policies, or services away from fossil fuel industry and support carbon sinks
ESS INTEGRATIO	Align ancillary business activities with a net zero future		NOT ALIGNED Procurement and contracted services support fossil fuel industry (e.g., direct purchases or clients)	SOME ALIGNMENT Procurement and contracted services limit support of fossil fuels industry and/ or take proactive climate action (e.g., goals or initiatives)	FULL ALIGNMENT Time bound goals to transition procurement and contracted services to not support fossil fuels industry and/ or take advanced climate action (e.g., SBTi, net zero target)
	Align business activities with a just climate future		NOT ALIGNED Core products, policies, services, procurement, contracted services do not address and/or work to advance climate equity and justice	SOME ALIGNMENT Core products, policies, services, procurement, contracted services take some efforts work to advance climate equity and justice (e.g., some targeted philanthropy, some initiatives)	FULL ALIGNMENT Core products, policies, services, procurement, contracted services have KPIs and/or, targets to advance climate equity and justice
	Integrate accountability for climate performance into corporate governance structures	1 4	NOT ALIGNED No KPIs, roles responsible for climate	SOME ALIGNMENT Workforce accountability – e.g., sustainability leadership role, some KPIs	FULL ALIGNMENT Board, leadership, and workforce accountability, including KPIs and performance review

Align lobbying with the latest climate science a equitable just future Direct philanthropic resources to advance a just climate future **Direct political** contributions to candidates with record aligned with the latest climate science Use corporate influenc and voice to mobilize corporate/ industry climate action

ADDITIONAL RESOURCES:

Clean Creatives: https://cleancreatives.org Drawdown: https://drawdown.org/programs/drawdown-labs UNEP: https://www.unep.org/interactive/six-sector-solution-climate-change/ LobbyMap: https://lobbymap.org/page/About-our-Scores The Outdoor Policy Outfit: https://www.outdoorpolicy.org Sunrise Project: https://sunriseproject.org



OBJECTIVES: EVALUATE THE COMPANIES

1	N/A	LOW (1)	MEDIUM (3)	HIGH (5)
e and	N/A	NOT ALIGNED Direct or indirect lobbying (i.e., through trade associations) that advance fossil fuels and/or restrict climate action or score below 50 LobbyMap	SOME ALIGNMENT No or minimal climate action direct or indirect lobbying (i.e., not full Paris Alignment), or score between 50–75 on LobbyMap	FULL ALIGNMENT Direct or indirect lobbying that prioritizes climate action that aligns with the Paris Agreement with or score above 75 on LobbyMap
а	N/A	NOT ALIGNED No philanthropic and charitable resources allocated to address and/ or work to advance climate equity and justice	SOME ALIGNMENT Some (less than 50%) philanthropic and charitable resources allocated to address and/or work to advance climate equity and justice	FULL ALIGNMENT Majority of philanthropic and charitable resources allocated to address and/ or work to advance climate equity and justice
rds t	N/A	NOT ALIGNED Political support for candidates with positions that impede climate action (e.g., accept funding from fossil fuels, advocate against climate bills) or have no position on climate change	SOME ALIGNMENT Political support for candidates that sometimes support climate action (e.g., no funding from fossil fuels, no votes in support of climate bills)	FULL ALIGNMENT Political support for candidates with positions that advance climate action (e.g., no funding from fossil fuels, advocate for climate bills)
ce		NOT ALIGNED No public leadership or evidence of leadership that works against a net zero climate future (e.g., public speaking, thought leadership)	SOME ALIGNMENT Evidence of ad-hoc leadership in support of climate action and equity (e.g., public speaking, thought leadership)	FULL ALIGNMENT Evidence of clear and consistent leadership in support of climate action and equity (e.g., public speaking, thought leadership)

Ceres: https://roadmap2030.ceres.org/?_ga=2.110059077.193820873.1658938544-778225496.1658938544



FOUNDATION QUALITATIVE EVALUATION MATRIX

OBJECTIVES: EVALUATE SVG'S PERFORMANCE

		1.1.1	OBJECTIVES: EVALUATES		
12.5		N/A	LOW (1)	MEDIUM (3)	HIGH (5)
TRANSPARENCY	Disclose grant making process		LIMITED Disclose basic process only	SOME Disclose process + high-level decision-making guidelines	COMPREHENSIVE Disclose process + decision-making process details, including scoring criteria, etc.
TRANSF	Amplify work of grantees through company's platforms		LIMITED Only required disclosure (e.g., IRS)	SOME List grantees on website	COMPREHENSIVE List grantees on website and description of projects supporting
	1. A.	Server 1			1. 1. O. 1
AND	Grantmaking advances climate justice movement		LIMITED No climate justice grants	SOME Ad hoc climate justice grantmaking	COMPREHENSIVE Climate justice is a pillar of grantmaking strategy
VALUES AND BUSINESS INTEGRATION	Grantmaking advances company's climate and/or climate justice strategy		LIMITED Grantee work does not directly contribute to SVG's Climate Justice strategy	SOME Some, but not all grantee work directly contributes to advance SVG's Climate Justice strategy	COMPREHENSIVE All grantee work directly contributes to advance SVG's Climate Justice strategy
1		14			
LEADERSHIP	Foundation approach is responsive and trusting	N/A	LIMITED Minimal efforts to reduce the administrative and financial burdens of the grantmaking (e.g., extensive financial and narrative requirements)	SOME Some efforts to reduce the administrative and financial burdens of the grantmaking (e.g., simple reporting, use of technology)	COMPREHENSIVE Dedicated efforts and structures to fully minimize the administrative and financial burdens of the grantmaking (i.e., only minimal requirements, facilitated by grantmaking organization)
	Foundation centers BIPOC voices in the initiation, design, and governance of grant making	N/A	LIMITED No input from key grantees	S O M E Some input from grantees	COMPREHENSIVE Follows best practice for participatory grantmaking
PHILANTHROPY	Feedback process for continuous improvement	N/A	LIMITED Limited process for 360 evaluation and continuous improvement	SOME Ad hoc process for 360 evaluation and continuous improvement	COMPREHENSIVE 360 evaluation and continuous improvement built into program structure
CLIMATE	Use foundation and business influence and example to mobilize climate justice		LIMITED No best practices sharing with public or peers	S O M E Some best practices sharing with public or peers(e.g., public speaking, thought leadership)	COMPREHENSIVE Evidence of clear and consistent best practices sharing with public or peers(e.g., public speaking, thought



ADDITIONAL RESOURCES:

grantmaking

https://www.climate.donorsofcolor.org https://www.peakgrantmaking.org/principles-for-peak-grantmaking/drive-equity/ https://www.edgefunders.org https://www.participatorygrantmaking.org



leadership) (e.g., public speaking, thought leadership)

ADVOCACY QUALITATIVE EVALUATION MATRIX

OBJECTIVES: EVALUATE SVG'S PERFORMANCE

	N/A	LOW (1)	MEDIUM (3)	HIGH (5)
		LIMITED Disclose basic priorities	SOME Disclose priorities & basic criteria for engagement	COMPREHENSIVE Disclose priorities & criteria for engagement & KPIs
ns		LIMITED Name partners	SOME Create content featuring partners	COMPREHENSIVE Collaborate on content and shared campaigns across platforms (e.g., social media)

es	LIMITED No climate justice advocacy	SOME Ad hoc climate justice advocacy	C O M P R E H E N S I V E Climate justice is a pillar of advocacy strategy
es and/	LIMITED Advocacy work does not directly contribute to SVG's Climate Justice strategy	SOME Some, but not all advocacy work directly contributes to advance SVG's Climate Justice strategy	COMPREHENSIVE All advocacy work directly contributes to advance SVG's Climate Justice strategy

es, ers	N/A	LIMITED Limited engagement	SOME ad hoc engagement of consumers (e.g., periodic campaigns)	COMPREHENSIVE Engrained in consumer messaging & encourages consumer/employee action
ent	N/A	LIMITED No input from key grantees	S O M E Some input from grantees	COMPREHENSIVE Follows best practice for participatory grantmaking
	N/A	LIMITED Limited process for 360 evaluation and continuous improvement	SOME Ad hoc process for 360 evaluation and continuous improvement	COMPREHENSIVE Self evaluation and continuous improvement built into program structure
e		LIMITED No best practices sharing with public or peers	SOME Some best practices sharing with public or peers(e.g., public speaking, thought leadership)	COMPREHENSIVE Evidence of clear and consistent best practices sharing with public or peers(e.g., public speaking, thought leadership) (e.g., public speaking, thought leadership)



Seventh

We would like to give special thanks to the organizations whose expertise and guidance made this report possible:



Acknowledgments

Seventh Generation's approach to our 2021 Corporate Consciousness Report was inspired by the pioneering work of the many people and organizations leading the movement to cut off the flow of money that fuels the climate crisis.

> THE OUTDOOR POLICY OUTFIT



Clean Creatives



PROJECT **DRAWDOWN**

We would also like to thank our methodology partner, Pure Strategies.



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