

A photograph of a retail cashier with long dark hair, wearing a black polo shirt with a name tag, smiling as she looks at a computer monitor at a checkout counter. In the background, another cashier is visible, and the store's interior with shelves and other monitors is blurred. The text 'Sustainability The Retail Perspective' is overlaid on the left side of the image.

# Sustainability

## The Retail Perspective

Scot Case,  
VP Sustainability  
[cases@nrf.com](mailto:cases@nrf.com)

# NPE2024 | MADE FOR YOU

The Plastics Show

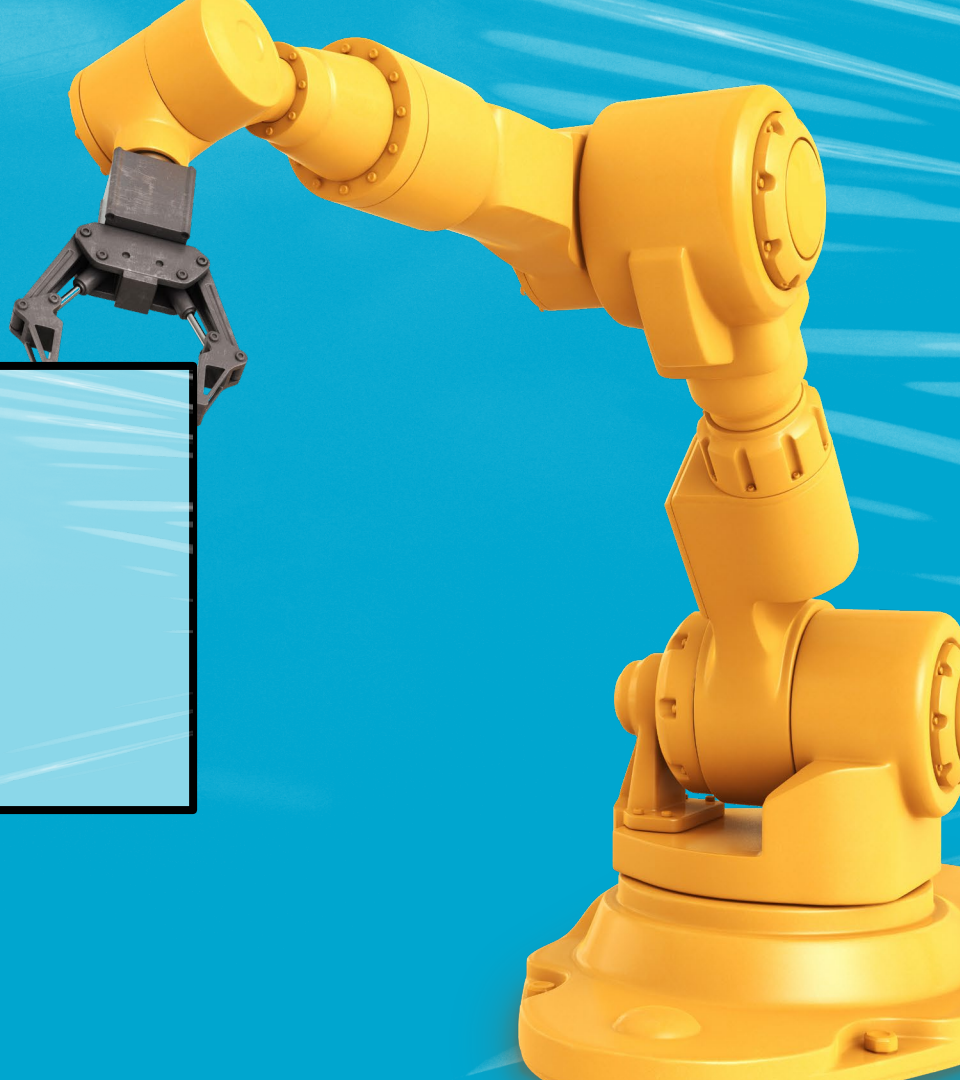
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INDUSTRY ASSOCIATION

## AGENDA

- Defining Sustainability
- Talking Sustainability
- Selling Sustainability

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May 7, 2024



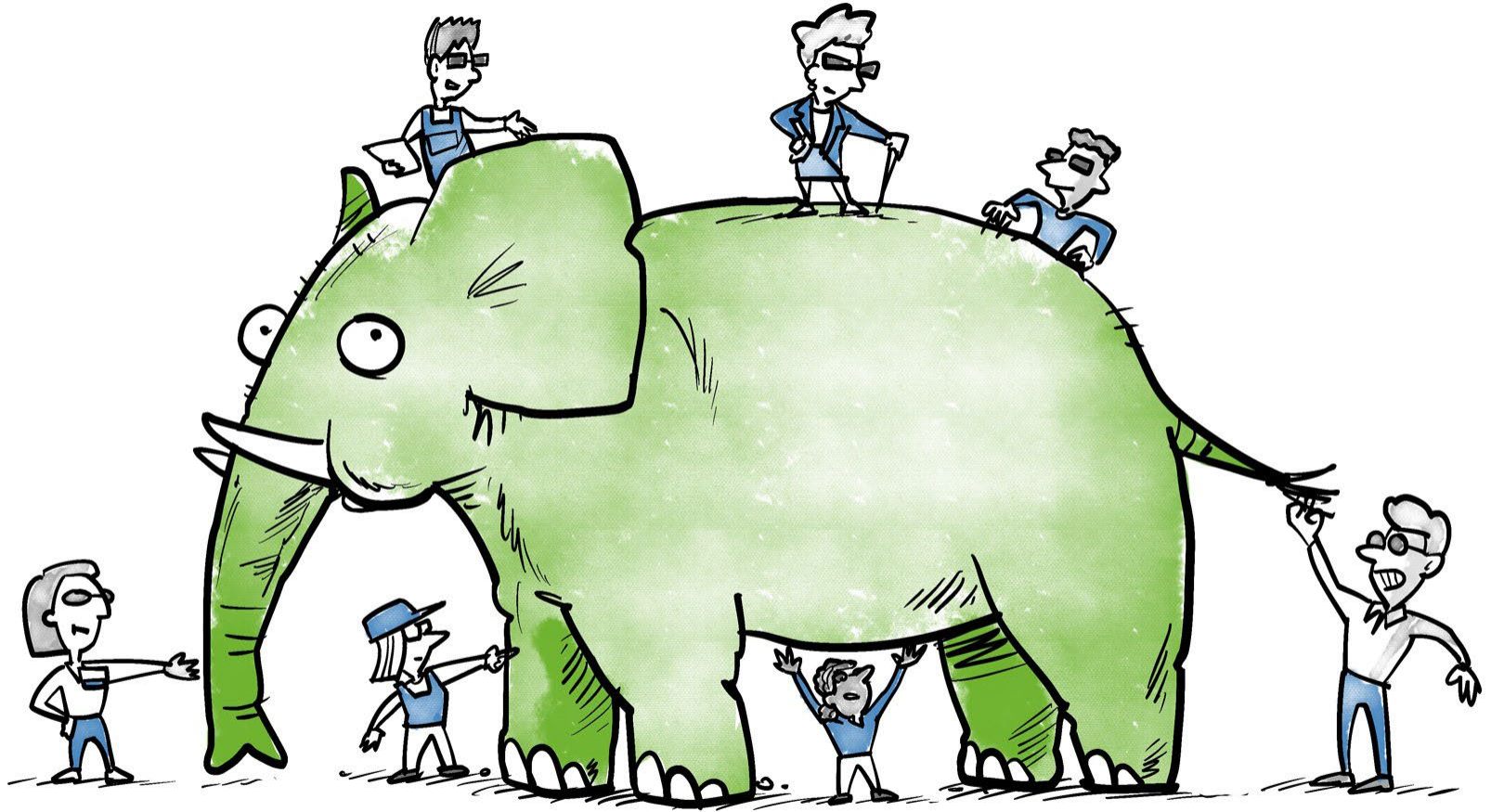
# Defining Sustainability

**“Creating net positive environmental, social, and community benefits.”**

# The Challenge for Retailers

Everyone is defining  
sustainability differently.





*Cartoon by Lorne Craig*

# Old School Strategic Framework

## REDUCE:

- Energy use
- Water use
- Waste generation



## IMPROVE:

- Efficiency
- Productivity
- Customer service
- Community & employee initiatives

# Strategic Framework

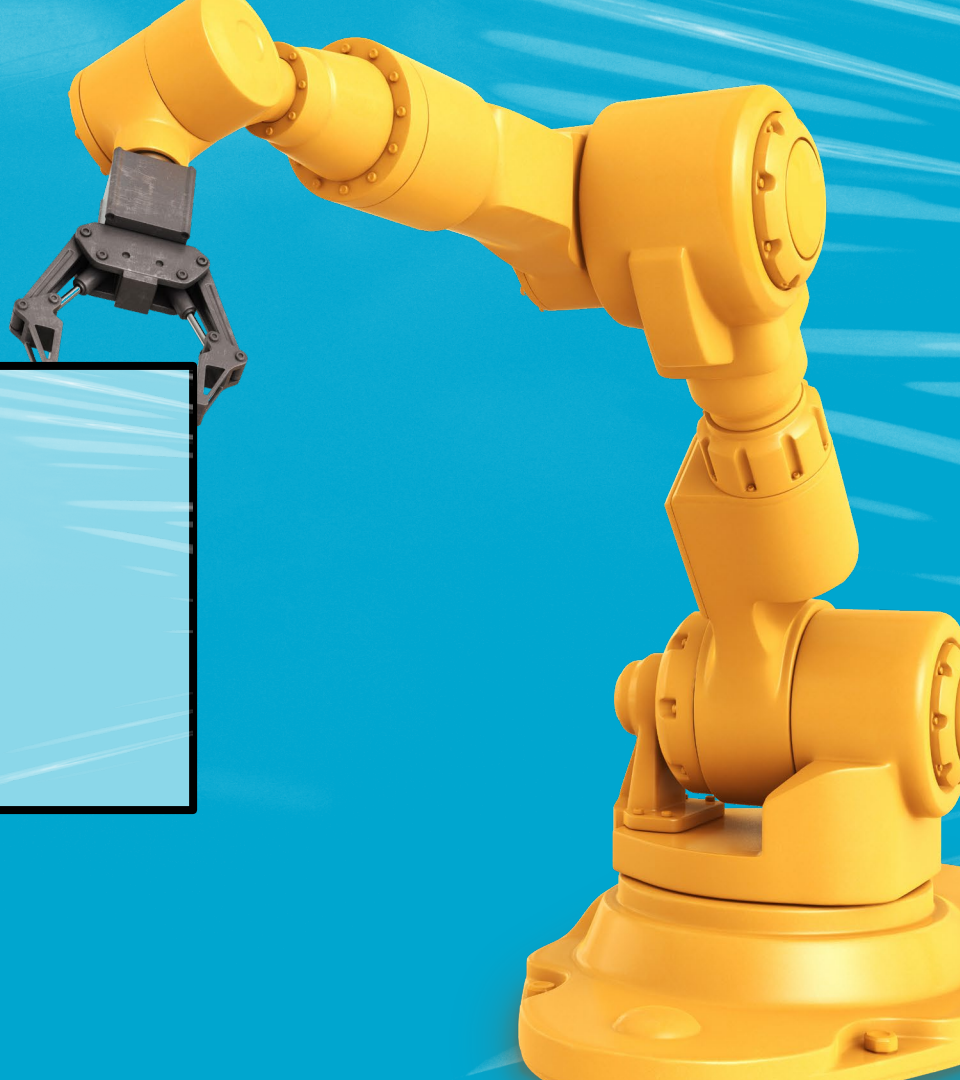
Sustainability requires thinking systemically.



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# The Biggest Challenge for Retailers

Every single purchase has hidden human health, environmental, and social impacts.



## Fashion brands grapple with greenwashing: 'It's not a human right to say something is sustainable'

While business imperatives for making sustainability claims are clear, being able to prove them has become a major stumbling block for the industry

## Nike faces lawsuit over greenwashing claims

Published May 15, 2023

## Greenwashing: 14 recent stand-out examples

Greenwashing  
AKEPA ON JULY 23, 2021

SECTOR > CONSUMER | March 10, 2023

## Explainer: Household brands accused of greenwashing

Greenwashing is a tactic intended to win over customers who want to support environmentally friendly businesses. We explain how it's done.

## 5 Fast-Fashion Brands Called Out for Greenwashing

BY MARTINA IGINI | AMERICAS ASIA EUROPE | AUG 24TH 2022 | 6 MINS

RETAIL DIVE

DIVE BRIEF

## Lululemon accused of greenwashing in anti-competition complaint

Advocacy organization Stand.earth is asking the Competition Bureau Canada to investigate the retailer's conduct over environmental claims.

Published Feb. 14, 2024

# Greenwashing Examples: The Nine Biggest Fines Handed Out So Far

February 8, 2024

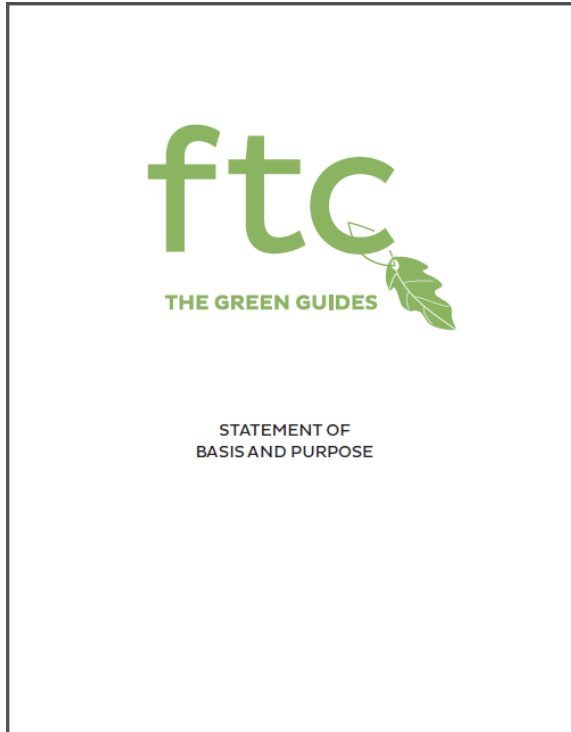
# Beware of Greenwashing

**Green·wash (grēn'wōsh', -wōsh')** – *verb*: the act of misleading consumers regarding the environmental or broader sustainability practices of a company, product or service.

**WARNING:**

Learn to ask critical questions or you might be selling products with creative marketing rather than products with legitimate sustainability benefits.

# FTC Green Guides



- Statement of Basis and Purpose provides guidance on acceptable environmental marketing claims.
- All marketing claims must adhere to the guidance.
- Originally published in 1992 with revisions in 1996, 1998, and October of 2012; **currently being revised.**
- Contains relevant information including guidance on how to make claims with examples by type.
- Most recent cases – May 5, 2022



# Sustainability Claims Tug-of-War

Think of Sustainability Claims along a continuum.



**Marketing Perspective**

*Eco-Safe*  
Earth Friendly  
*Sustainable*  
Mother Earth Approved  
Green  
ALL NATURAL



**Legal Perspective**

This toy is more environmentally preferable because it has less than 0.1 gram/liter VOC's as per ABC test method, does not contain reproductive or developmental toxins as per State of California list, and contains a minimum of 60% total recycled content, including at least 30% postconsumer content. It is packaged in a box containing at least 60% postconsumer content with the remaining virgin fiber sourced from FSC certified sources. The box is recyclable in many parts of the country, but you will need to verify the availability of appropriate recycling services in your area. No other environmental benefits are claimed or implied by this statement.

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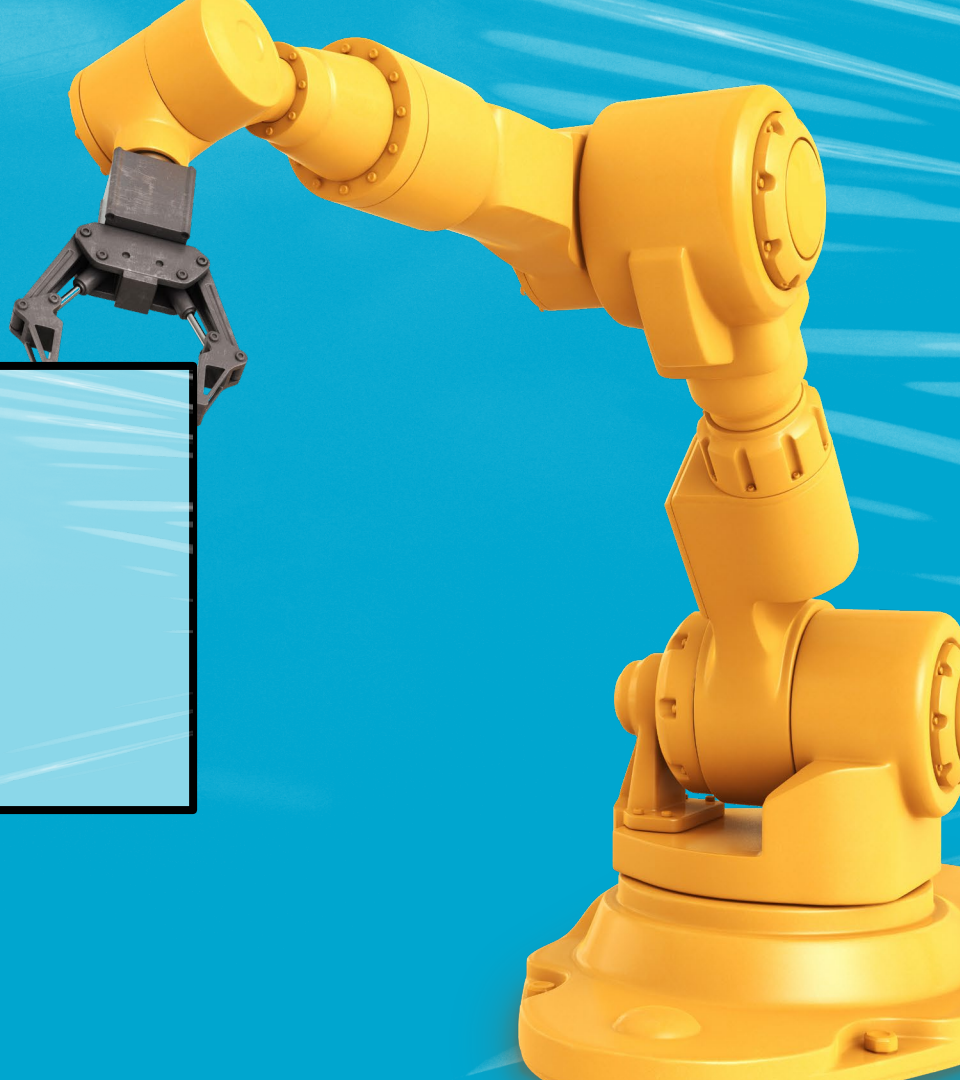
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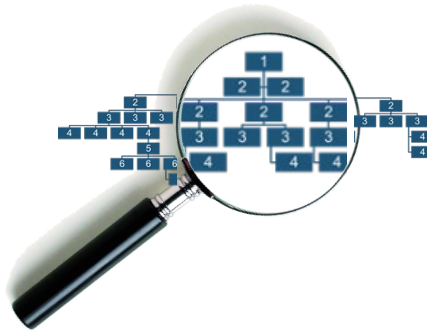
May 7, 2024



# Three Key Trends



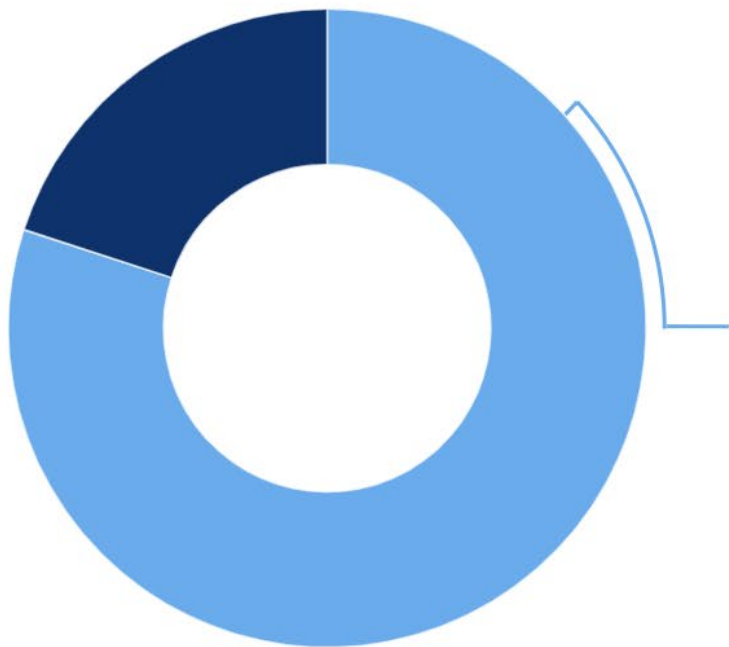
**Consumers,  
Employees &  
Investors Care**



**Transparency**



**Artificial  
Intelligence**



**80% of Americans agree a waste-free lifestyle is an appealing possibility in the next 20 years.**

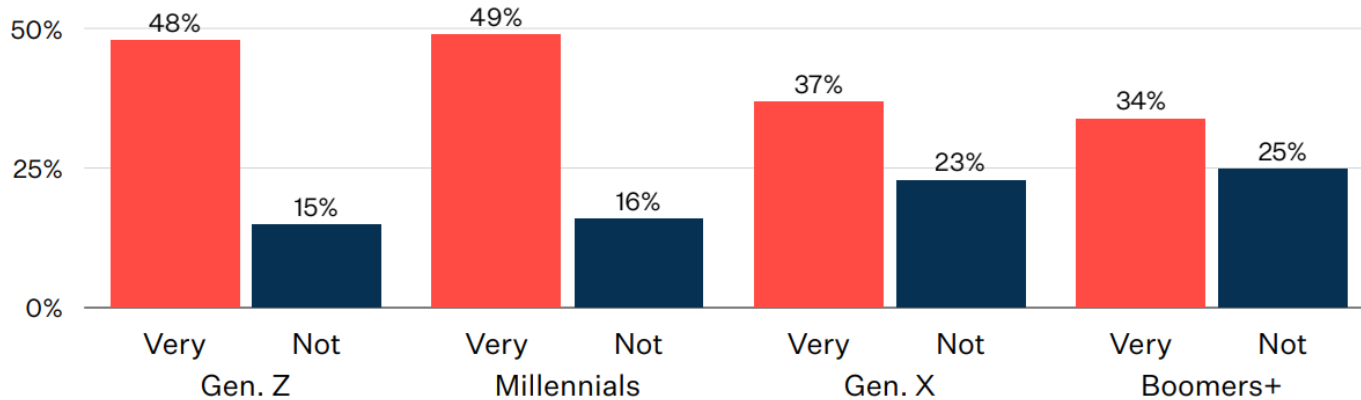
Source: GfK Consumer Life Green Gauge

**NRF** National  
Retail  
Federation



# Younger consumers say it's important to purchase from brands that align with their values

Percentage of 'extremely' and 'very' important and 'not very' and 'not at all' important responses: How important is it to purchase from brands that align with your values?

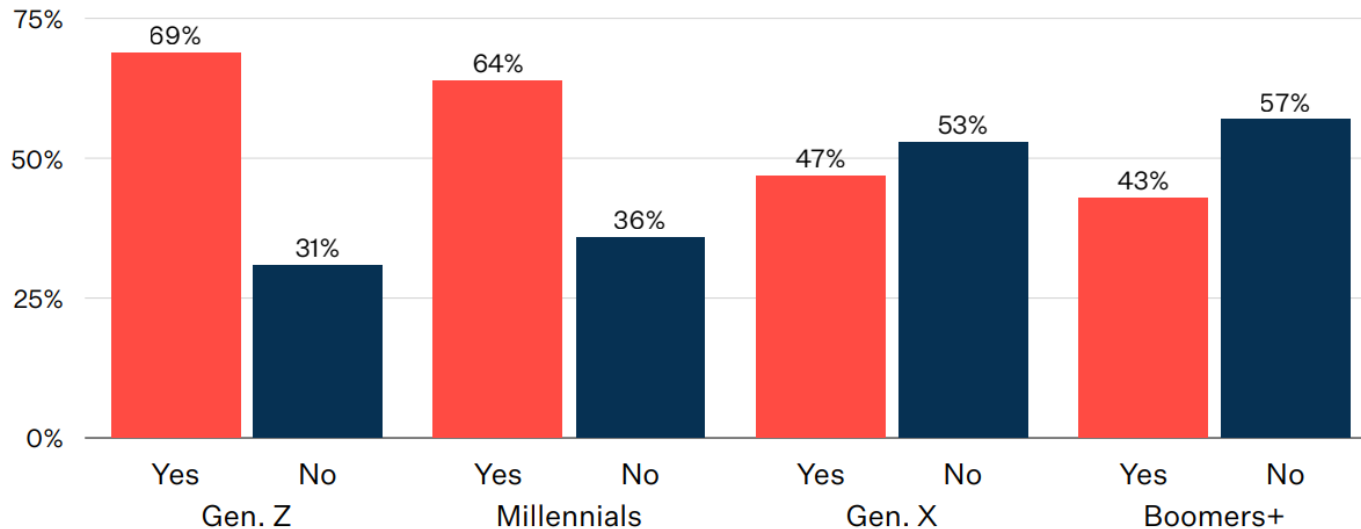


Data: Consumer Trends Survey, powered by **toluna**\* "Somewhat important" responses not shown. (n=3197)

The New Consumer | Coefficient

# Most Gen. Z and Millennial consumers say they'd spend more for sustainable goods

Percentage of responses: Are you willing to pay more for environmentally sustainable goods?



Data: Consumer Trends Survey, powered by **toluna\*** (n=3197)

The New Consumer | Coefficient

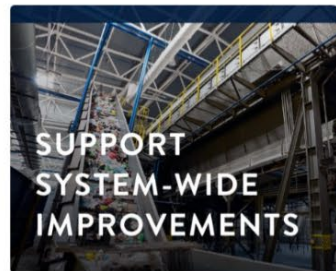
# Sustainable Packaging

## Walmart's Aspiration is Zero Plastic Waste

In order to realize that aspiration, we must embrace the concept of “circular economy,” which moves away from a “take-and-dispose” approach to one that values reuse and regeneration. We’re collaborating with suppliers, customers and communities to accelerate this philosophy – and one key focus area is through packaging design.

# Our Approach

We are globally using a three-pronged strategy to address plastics in our value chain.





# WASTE

We are working to optimize packaging size, minimize unnecessary plastic, and divert packaging waste from landfills, and test

## GOALS BY 2025/2030

**ELIMINATE** unnecessary or problematic plastics in packaging to consumers by 2025 and in packaging to businesses by 2030, in line with our Fashion Pact commitments

## PROGRESS

47% of unnecessary or problematic plastics in packaging to consumers have been eliminated and replaced with other reusable alternatives, including progress in transitioning shopping

● On track

**ENSURE** at least half of all plastic packaging is 100% recycled content, for packaging to consumers by 2025 and in packaging to businesses by 2030, in line with our Fashion Pact commitments

80% of all plastic packaging to consumers is made with 100% recycled content – achieving the 2025 target

For packaging within our business we are increasing our tracking capabilities and diversion projects, with progress toward 2030.

● On track

## CHALLENGE

Plastic waste can be detrimental to humans and animals, polluting our planet and damaging ecosystems. It is estimated that more than 430 million metric tons of plastic are produced each year, two-thirds of which are sent to waste after only one use, with 11 million metric tons of plastics entering the ocean annually.<sup>62</sup>

Fashion retailers rely heavily on plastic packaging for garments in supply chains, and due to limited U.S. recycling capabilities for soft plastics, even mixed recycling, these often end up in landfills. While our teams have explored some recycling opportunities, we face challenges recycling due to insufficient store-level volumes, as the quantities generated at smaller stores are not large enough to meet the volume requirements for plastic recycling.

## STRATEGY

Following a three-part strategy, our aim is to combat unnecessary and problematic plastic packaging waste.<sup>63</sup>

**Elimination:** Eliminate and substitute plastic packaging with non-plastic alternatives.

**Diversion:** Divert plastics from landfill through recycling when feasible and where we have control over packaging disposal.

**Conversion:** Convert necessary plastics to non-virgin materials when feasible.

Our priority areas for tackling plastic waste are hangers, shopping bags, polybags, and e-commerce mailers – representing the majority of business-to-customer packaging by weight.

Gap Inc. monitors state and local legislation relating to packaging given the recent rise in EPR bills and single-use plastic bans. These regulations will impact our future waste and circularity actions.



plastic to recycled content, we recycled materials. This can improve collection and recycling. By optimizing packaging designs, we can enhance efficiency and reduce packaging costs.

**Conversion:** Following rigorous testing of material alternatives, we established that plastic polymailers are necessary for keeping our products protected. Our updated plastic polymailers rolling out in 2024 are made with 100 percent recycled plastic content. Across our brands, we are conducting tests for accessory bags and hangers to identify additional opportunities to reduce plastic content. Old Navy's hanger recycling program is ongoing; the brand will transition its garment-on-hanger program to 100 percent recycled content, with new hangers set for store use in early 2024.

stopped sourcing plastic packaging in September 2023. Old Navy shopping bags and hangers, though the plastic shopping bags, are still in store inventories.

conducted in late 2022 was typically the top waste stream across our brands, representing 10-15% depending on geography, with a focus on rugate recycling.

Depending on the category.

Our in-store plastic film collection and recycling program accepts monolayer plastic films that are not currently accepted in curbside recycling programs. This primarily includes non-food items like plastic grocery bags; plastic overwrap on household tissues, diapers and bottled water; dry cleaning bags; retail produce bags; and packaging that is labeled as acceptable for in-store drop-off programs.

Kroger customers can mail any *Our Brands* flexible plastic packaging to TerraCycle for recycling, free of charge. These materials are recycled to produce composite plastic material used in playground equipment, park benches and other products. Kroger was the first U.S. retailer to offer this type of recycling program across an entire private-label portfolio. Our customers have returned more than 1 million packages—the equivalent of more than 22,000 pounds of plastic—to date.

Kroger was the first U.S. grocery retailer to partner with the Loop reusable packaging platform. In 2022, Kroger piloted an alternative to single-use packaging at 25 Fred Meyer stores across Portland, OR. We trialed the new packaging with 21 items from popular brands to gauge customer sentiment. Through the in-store model, customers purchased the Loop products, which are pre-filled in reusable packaging. After using the product, they returned the empty package to a collection bin at the front of participating stores. Returned packages were sent to Loop for cleaning, refill and resale—“closing the loop.” We recently published an overview of the [Loop at Fred Meyer Pilot](#), including insights on what may be needed to scale reusable packaging solutions.

### Packaging Recyclability Definitions and Progress

Recyclability Level	Brief Description	Example Packaging Types	% of Kroger Packaging <sup>29</sup>
Recycled in practice and at scale	More than 95% of the entire pack weight is recyclable and either remaining components are compatible with the recycling process or non-recyclable components are recycled. The packaging type is accepted in curbside consumer recycling programs.	Glass beverage containers; cardboard,	24%
Widely collected for recycling	A majority percent (at least 60%) has a curbside or special collection system. There are occasional exceptions where collection is through a recycling program.		
Sometimes collected for recycling	A significant percent of the population has access to a curbside or special collection system. There are occasional exceptions where collection is through a recycling program.		
Recycle ready	Packaging is designed for curbside collection and recycling using a curbside collection system, but sorting is not yet widely available.		
Not recyclable	Packaging is unacceptably contaminated and provide value. There are significant challenges to recycling, even if technically possible. There are systemic issues with sorting and recycling with reasonable effort.		

<sup>29</sup> Totals may not sum due to rounding

<sup>30</sup> High density polyethylene

<sup>31</sup> Low density polyethylene

### Increasing Recycled Content

In 2022, the *Our Brands* packaging assortment contained 18% PCR (up from 14% in 2021). Projects like adding 50% PCR PET plastic to a new line of *Our Brands* spice products increase the amount of PCR material in our footprint. We continue to pilot different levels of PCR material in our packaging, particularly in those products that are subject to consumer scrutiny. These decisions require careful consideration of factors such as product function, shelf life

### Reducing Unnecessary Packaging

Kroger-operated manufacturing plants continue to reduce plastic use and packaging weights for *Our Brands* items where feasible. Last year, we reduced the amount of plastic used in our carbonated soft drinks and cultured dairy tub product packages, saving approximately 450,000 pounds of plastic annually.

### Customer Communication

We regularly share information with our customers regarding the *Our Brands* recycling program with TerraCycle and in-store recycling drop-off program for plastic films. Kroger has added “Please Recycle” or the How2Recycle logo to several *Our Brands* products. Recent additions include egg cartons, bottled water, bagged produce, household tissues and kitchen storage bags. Many common package overwraps and other films are among the items eligible for our in-store recycling program.

### Essary Packaging

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## Plastics

As we work toward our Target Forward ambition of innovating and remaining committed to eliminating, reducing and finding alternative products, packaging and operations. We aspire to enable the use of plastic by exploring alternative materials, delivery systems and are piloting new innovation in the owned and national brands we

## Our packaging commitment

As part of our Target Forward work, we've committed to reducing the total volume of virgin plastic packaging by 20% in brand food, beverage, beauty and essentials business units measured against our total plastic packaging base in these categories in 2020. We also aim to design 10% of brand packaging to be recyclable, compostable or reusable by 2025. We've laid a foundation to help us achieve these commitments:

### New Plastics Economy Global Commitment

In 2016, we signed onto the Ellen MacArthur Foundation's **Global Commitment on Plastics**, led by the Ellen MacArthur Foundation in collaboration with the UN Environment

largest packaging producers, brands, retailers and recyclers — to change how we produce, use and reuse plastic.

In 2020, Target developed a comprehensive packaging strategy, grounded in our NPE commitments. We are using data from collection and measurement to identify opportunities to work with our vendors to eliminate problematic plastic packaging, move into alternative materials and increase our use of post-consumer recycled content, while also pursuing design opportunities to eliminate packaging altogether. We aim to increase our post-consumer recycled content (PCR) to 20% by 2025. In 2022, we achieved 15% PCR, up from 6% in 2021. Target is also piloting national brands sold at Target on refill/reuse and packaging innovations.

### U.S. Plastics Pact

We're also an activator in the U.S. Plastics Pact, working to achieve ambitious targets by 2025:

- Taking measures to eliminate a defined amount of unnecessary packaging.
- Ensuring all plastic packaging is 100% recycled or compostable.
- Undertaking actions to effectively reduce the amount of plastic packaging.
- Collectively have 30% of all plastic packaging recycled or responsibly sourced bio-

Through our partnership with our vendors, we've used the equivalent of 2.5 billion plastic bottles

## Plastic bags

Offering guests bags for their purchases is part of the convenience of a Target run — and that includes giving guests plenty of options to make sustainable choices. All plastic bags at Target's checkout lanes are made of a minimum of 100% recycled content. And as always, guests can recycle any single-use plastic bags they no longer need at our in-store recycling centers. We also offer guests an assortment of stylish reusable bag options, along with a five-cent discount for each reusable bag they use at our checkout.

As we continue to work toward our commitment to reducing plastic use across our operations, we're also looking for alternatives to plastic bags. The **Consortium to Reduce Single-Use Retail Bag** launched in 2020, with Target as a founding partner. Its goal is to identify, pilot and implement innovative designs for the single-use retail bag. The initiative is made up of 13 partners from across retail sectors, including Target, CVS Health and Walmart. In 2022, the Consortium synthesized best practices from its members and announced **two pilot programs** in 2023 alongside other Consortium retailers.

## Hangers

Target is committed to reducing the amount of virgin plastic used across our business. Since 1994, our teams have been using a closed-loop reuse program for our plastic garment

hangers that are repaired or ground down to make new hangers in a waste-free loop.

## Textiles

Plastic can also show up in places you least expect them — like in fabrics — and we're working to reduce waste there, too. As a strategic partner to the **Global Fashion Agenda**, we support its efforts to mobilize the international fashion industry to transform the way fashion is produced and consumed. That includes working to minimize textile waste and reduce the use of plastic in fabrics, like those containing synthetic fibers such as recycled polyester.

In 2020, we also began piloting a textile-to-textile recycling project with **Circ**, where we take our end-of-season, overstock and end-of-line textiles and, with Circ, convert them into new raw materials.

## Recycling

For years, we've made it easy for guests to recycle materials like plastic bags and bottles (as well as cans, glass, ink cartridges and electronics) at recycling stations at their local Target store. Since 2010, guests have recycled millions of pounds of plastic.

When guests were looking for an easier way to recycle trickier items, like car seats, we launched our popular **car seat trade-in program**. Once a year, we invite guests to bring unwanted car seats to their local Target store for recycling and to get great deals on new baby gear.





## Reducing Plastic Packaging Globally

# 99%

Of mixed-material mailers, which contain both plastic and paper, replaced with recyclable paper alternatives in the U.S. and Canada



Eliminated single-use plastic delivery bags for orders shipped from European fulfillment centers and replaced them with curbside-recyclable alternatives



Eliminated single-use air pillows in Europe and Australia and replaced them with curbside-recyclable paper material







# SEPHORA COLLECTION

## **ECO-CONCEIVED PACKAGING**

Our priority is to reduce the environmental impact of our products. We are seeking to use less packaging, especially plastic, in all of our new projects.

## **WE AIM TO REDUCE THE USE OF PLASTIC IN SEPHORA COLLECTION PRODUCTS BY 20% BY 2025.**

Our goal is to completely eliminate petroleum-based virgin plastics by 2025. We use recycled plastic wherever possible, and if this really is not possible, we use bio-sourced plastics. We are also working on alternatives to plastic. En savoir plus...

A good example is our 2018 "Lipstories" range – our first lipstick with eco-friendly cardboard packaging, with no added weights and no magnets. We are very proud of this development, because it paved the way for a number of other products.

## **OUR FIRST ECO-CONCEIVED RANGES**

In 2018, we relaunched our make-up brushes, eliminating the plastic packaging used for transport, and instead using protective cases made from paper from sustainably managed forests and printed with plant-based inks. En savoir plus...

All of the packaging for our new "Good for skin.you.all." skincare range has been re-designed to make it more eco-friendly: we have replaced the majority of fossil plastic in our tubes and pots with plastic derived from sugarcane waste, and reduced the weight of plastic used. Our makeup removers come in bottles made from 100% recycled plastic. Our cardboard packaging is now more lightweight and is sourced from sustainably managed forests in Sweden. Thanks to all these actions, with the launch of this range we have saved 70 tons of plastic—the equivalent of more than 2\* million bottles!

\*Calculation based on 1.5 L plastic bottles

## **OUR AMBITION BY 2025**

Our biggest challenge will be gradually making all of our packaging recyclable. We aim to have 100% recyclable or reusable packaging by 2025.



What can we help you find?



Sign in



# Target Zero

[Target](#) / [Ways to Shop](#) / Target Zero



## Join our journey to zero

Find products & packaging designed to reduce waste.

All Target Zero Products





Together, we're creating products & packaging solutions designed to be refillable, reusable or compostable, made from recycled content, or made from materials switched from plastic to paper, aluminum, steel or glass. And we're bringing you products that replace single-use items and reduce waste in your life. Look for the Target Zero icon in store and online to easily identify these products.

# Shop by category



Target Zero Household  
Essentials



Target Zero  
Skin Care



Target Zero  
Hair Care



Target Zero  
Personal Care



Target Zero  
Makeup



Target Zero Baby



Target Zero Health Care

# Shop by claim

Find out what each sustainability claim means to help decide what matters to you.

See product descriptions for more details.

## Reusable

Packaging and/or product designed with intention of reuse at end of life.

## Refillable

Packaging and/or product designed with intention of refill to reduce total waste.

## Reduced Plastic

Packaging switched from plastic to paper, aluminum, steel or glass with greater potential to be widely circular for majority of product packaging.

## Recycled Content

Packaging or product contains at least 30% post-consumer recycled content.

## Waterless or Concentrated

Product contains less water through concentrates or powders to minimize packaging & water use.

## Compostable Element

Product or packaging contains compostable elements.



plastic free



Sign in



9,124 results for "plastic free"



Pickup



Shop in store



Shipping

Shop by Target Zero Claim

- Packaging contains recycled content
- Packaging switched from plastic to paper, aluminum, steel, or glass
- Product contains recycled content
- Refillable packaging solutions
- Reusable packaging
- Reusable product
- USP Verified
- Waterless or concentrated product to minimize packaging

Clear

Apply



cleo+coco. Plastic Free...

cleo+coco. ★★★★★ 721

\$13.99 (\$7.00/ounce)



Bee's W Reusab

Bees Wra ★★★★★

\$19.00 (\$6.33/count)



LING Fresh Plastic...

★ 1

\$29.95 - \$49.95



Native Plastic Free Deodorant...

Native ★★★★★☆ 719

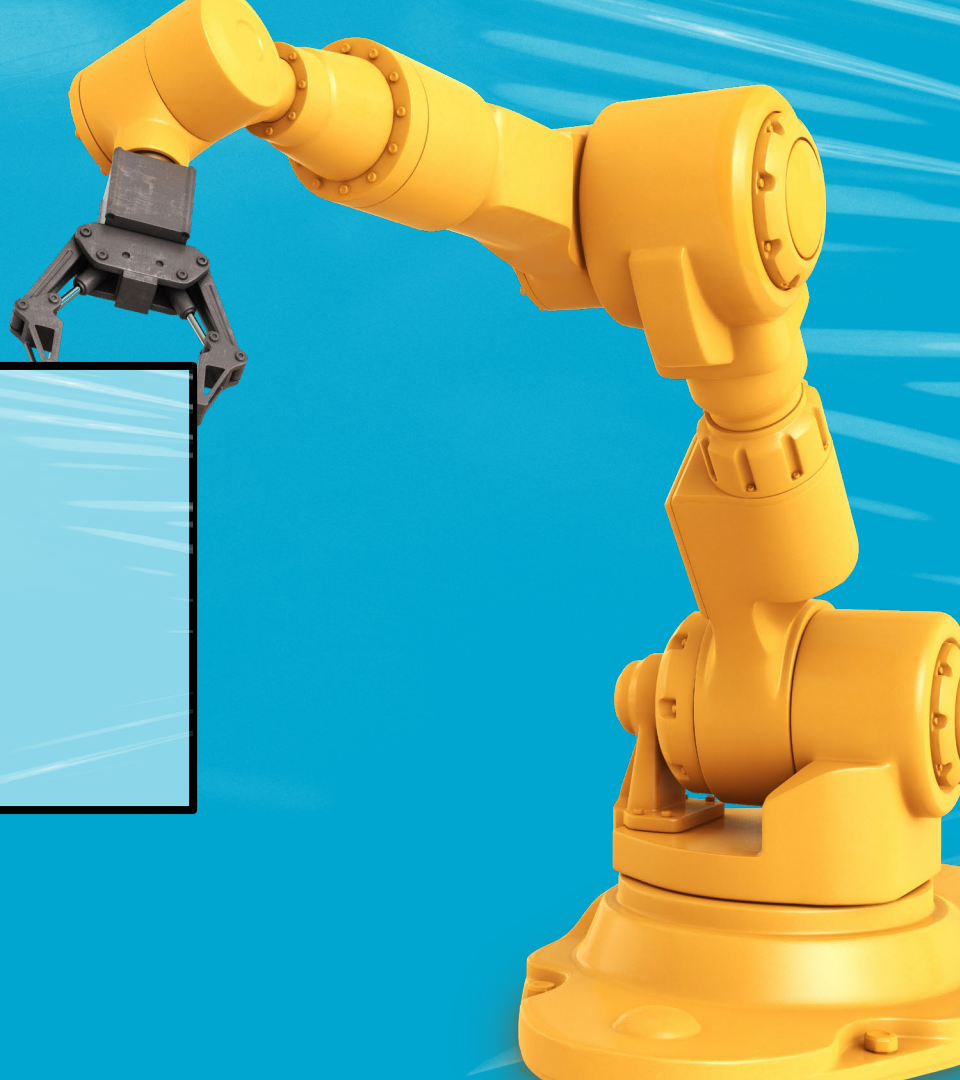
\$12.99 (\$4.90/ounce)



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May 7, 2024



# Questions?

Contact:  
Scot Case,  
VP Sustainability  
[cases@nrf.com](mailto:cases@nrf.com)