



Retail Sector Snapshot

A Sustainable Retail Industry (products & services) relies on transparency/**elimination of green-washing**

Examples of Sector Sustainability Legislation

- **EU Packaging & Packaging Waste Directive (2019)**
- **The EU Action Plan on Sustainable Consumption and Production and Sustainable Industrial Policy (2008)**
- **Waste Electrical and Electronic Equipment Directive (WEEE)**
- **Retail Code for Environmentally Sustainable Business (voluntary code of conduct)**
- **Greenwashing** - Focus is to target elimination of greenwashing and an increase of market awareness on sustainability matters
- **USA - Federal Trade Commission (FTC)** for compliance matters

Key Trends 2019

Sustainability applies to just about every facet of retail

- **Ethical Supply Chains**
- **Sustainable Sourcing** (eg. Natural cotton, paperless)
- **Climate Risk & Environmental Impacts** of products, energy saving & greenhouse gases, chemicals & toxins
- **Waste Reduction (recycling, re-using, donating)**
- **Innovation for Sustainability** – store design – fiber optic day lighting – cool roofing – supplier management – comprehensive supplier scorecards and sourcing policy – packaging – efficient design and plastic elimination
- **Plastics:** ban single use items, reduce bags
- **Labor Conditions:** Transparency demanded



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The retail sector represents a considerable portion of the EU's GDP – approx. 11%. Achieving sustainable development can be contributed in a huge way by a **reduced environmental footprint** from retailers

Good Practice: Marks & Spencer

“Strategy for Sustainability Plan A –there is no Plan B”

To help build a sustainable future by being a business that enables our customers to have a positive impact on wellbeing, communities and the planet through all that we do.

• Focus of Sustainable 2025 Commitments

- i. Naturally sourced cotton
- ii. Plastics reduction (carrier bags)
- iii. Food chain (sustainability scorecard for suppliers)
- iv. Increasing Fairtrade products
- v. Energy improvement
- vi. Collaboration with WWF
- vii. Zero waste to landfill
- viii. Customer engagement eg. garment donation

Good Practice: IKEA

Sustainable Strategy – “People & Planet Positive”

- **Integrated report – 2018** “Ingka Group Annual and Sustainability Report”
- Plans to use only **renewable and recycled materials** in its products by 2030, in the latest commitment by a global store group to reducing its impact on the environment
- The updated **IKEA People & Planet Positive strategy** describes the sustainability agenda and ambition for everyone in the IKEA franchise system and value chain
- Leads initiative of **100% sustainable cotton sourcing**