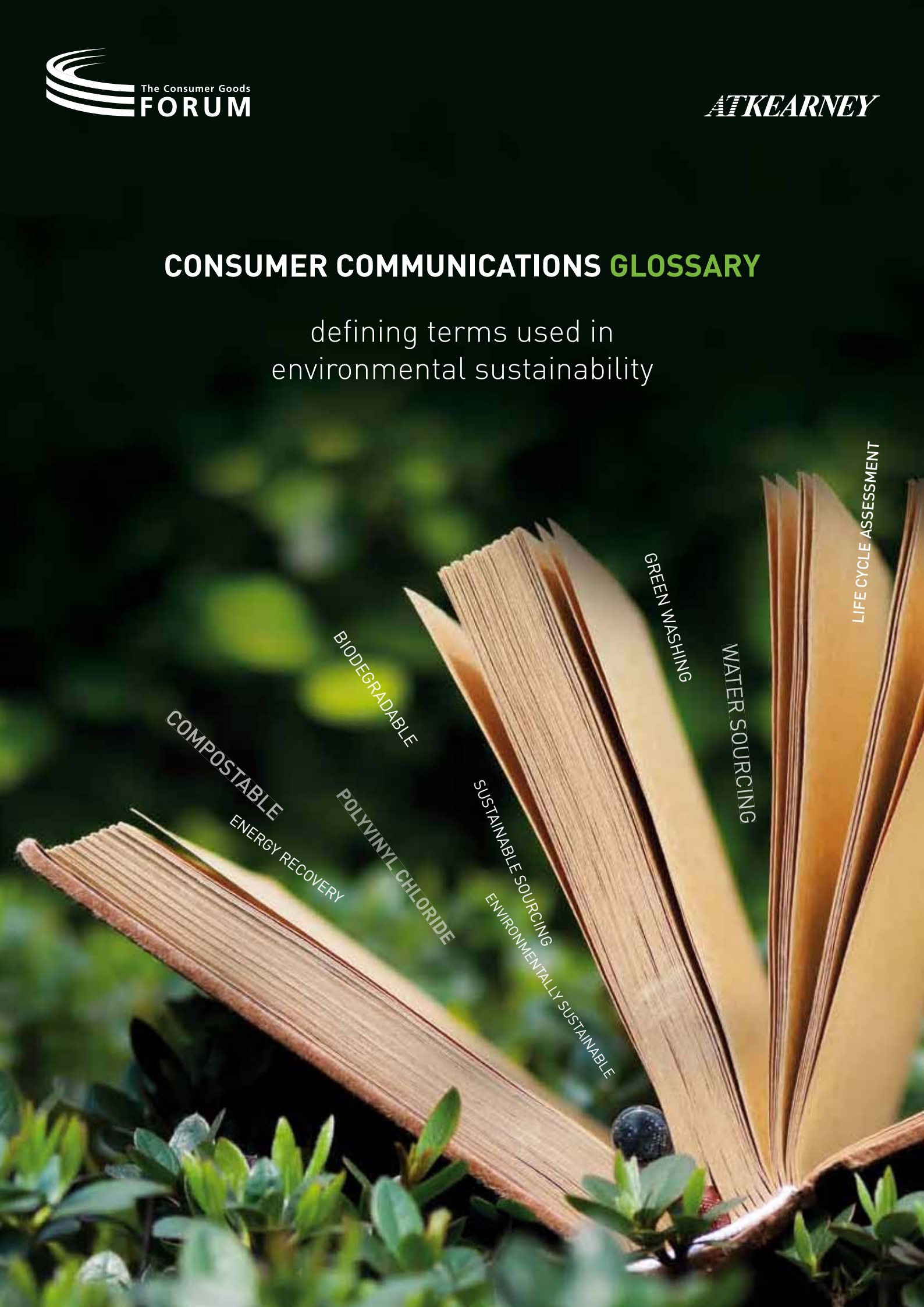
The Consumer Goods FORUM

A.T. KEARNEY

CONSUMER COMMUNICATIONS GLOSSARY

defining terms used in environmental sustainability



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Preface

The Consumer Communications Glossary Project was initiated by the Consumer Goods Forum (CGF) under the auspices of the Forum's Sustainability pillar. This project is linked with the current work of the Measurement sub-stream within the Sustainability pillar, which aims to identify standard metrics for our industry across many of the terms defined within this glossary. This project also follows the publication of "A Global Language for Packaging and Sustainability: A framework and a measurement system for our industry", which was also developed within the CGF Sustainability pillar.

It should be noted that there are other organizations that have identified this need and are pursuing similar projects. The Glossary Project recognizes the need to join up with this work and also sees value in publishing the initial output now to build momentum and to allow for initial implementation even as the definitions are further expanded. Section 9 of this report will discuss the next steps for taking this work forward.

The members of the Glossary Project were drawn from both manufacturing and retail, and the CGF would like to thank the following companies for participating: The Kroger Company, L'Oréal, Nestlé, PepsiCo, Procter and Gamble, Sara Lee, Tesco, Unilever, and Walmart.

CGF also wants to thank the management consultancy A.T. Kearney for their consulting support for the project from its inception through to the preparation of this report.

1 Introduction

1.1 VISION FOR THE PROJECT

Environmental sustainability is increasingly important to consumers and businesses alike. Consumers are more likely to consider environmental impact in their purchasing decisions, and businesses are increasingly marketing themselves and their products based on their sustainability credentials. However, the absence of a common, well-defined lexicon of environmental sustainability terms makes it difficult for consumers to make informed choices. The variety of terms, usages, and claims that are being applied in the consumer goods industry can rob those terms of meaning, making it difficult for businesses that are genuinely leading in this area to differentiate themselves.

The purpose of this Glossary is to begin to harmonize and clearly define the terms that businesses use to describe their environmental sustainability efforts. The benefits of this include:

Consumers better educated about the relative impact that different environmental improvements have on the environment

Greater ability to make meaningful comparisons of companies and products based on their environmental impact

Purchasing decisions more accurately reflecting the impact that a product or company has on the environment

Companies competing on meaningful dimensions of environmental sustainability and being rewarded for outperforming their peers

1.2 SCOPE OF THE DEFINITIONS

The current scope of the Glossary Project includes consumer communications focused on Greenhouse Gas Emissions, Water, and Product-related Waste. These topics were chosen based on their relevance to consumers and the current focus of industry efforts. In the longer term, these definitions can be expanded to other environmental sustainability topics and broadened in scope to include other audiences, such as suppliers and other trading partners.

The Glossary Project has sought to provide definitions that are robust and meaningful as well as simple and clear. In the first instance, the Glossary seeks to remain consistent with criteria from a variety of international sources including International Standards Organization (ISO), World Resources Institute, Global Reporting Initiative, EC Guidelines, US Environmental Protection Agency, and US Federal Trade Commission Green Guides. At the same time, these definitions have been tempered with the need for a simple and user-friendly set of definitions for consumer communication.

1.3 STRUCTURE OF THE REPORT

The remainder of this report is structured in three parts:

First, the organizing frameworks employed to structure the Glossary are described:

Section 2
describes a Framework of Environmental Sustainability

Section 3
describes Life Cycle Assessment

Section 4
describes common terminology applied across the three topics

Next, the definitions for each of the three topics are provided, along with a brief comment on the topic. Note that the comments are for context only and are by no means intended to be a definitive discussion of the topics. The topics are presented as follows:

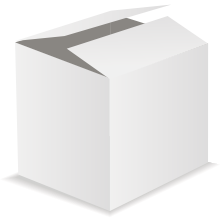
Section 5
General Definitions

Section 6
Greenhouse Gas Emissions

Section 7
Water

Section 8
Product-related Waste

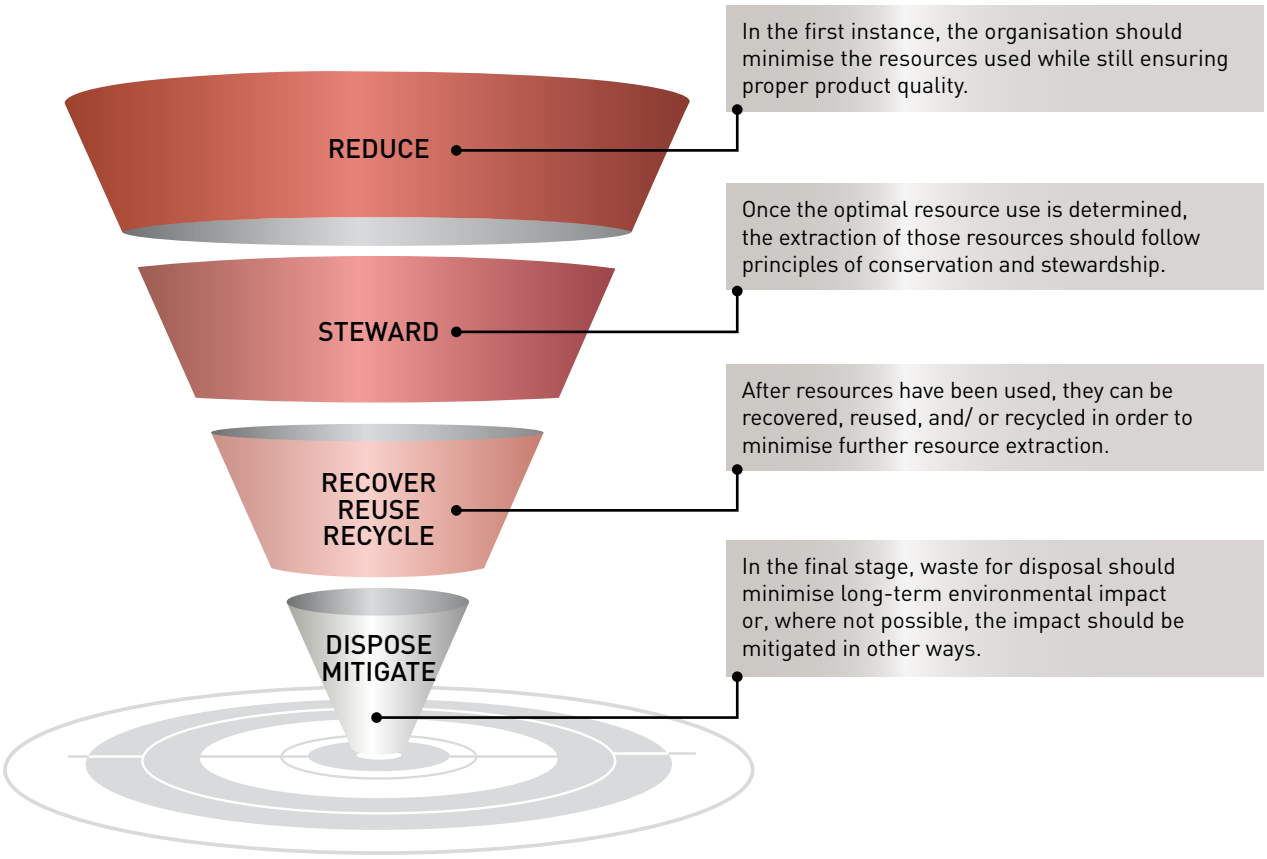
Finally, next steps for the Glossary project are described. The report finishes with a Terms Section in which definitions are accompanied by an example of use of the term as well as some of the common claims associated with each term. Again, these claims are not endorsed by the Glossary Group but are provided to capture the claims that are currently in use.



2 Framework of Environmental Sustainability

Across each topic, the terms in this Glossary are organized according to a framework that was modified from the Waste Management Hierarchy[1]. This is used as an organizing framework across the three topics, and there is no suggestion that it is preferable to others in use.

Figure 1: Framework of Environmental Sustainability



2.1 REDUCE

In the first instance, companies can reduce and optimize their use of resources – including land, materials, energy, or water. As is described in the CGF Packaging Publication "A Global Language for Packaging and Sustainability", reduction itself is not the sole consideration in resource use.

Instead, the right balance between reduction and utility must be struck to ensure that the product or packaging fulfills its intended purpose to the required quality standard, while still minimizing use of resources.

[1] The Waste Management Hierarchy is a commonly used framework for describing waste management efforts. See for example http://www.epa.gov/osw/homeland/hierarchy.htm.

2.2 STEWARD

Once is it determined how much of a resource is appropriate to use, steps can be taken to minimize the environmental impact in the extraction or use of those resources.
In the case of water, for example, consideration can be made as to whether the withdrawal of water will contribute to water scarcity in a region.
In the case of energy or materials, renewable resources or recycled materials may help steward and conserve limited natural resources.

2.3 RECOVER/ REUSE/ RECYCLE

After resources have been used once, they can be recovered or reused to reduce further resource extraction. This principle applies equally to water, materials, and in some cases energy. Often, the way that a product is designed and the support that a company provides in reuse or recycling will make a substantial difference in the rate at which consumers reuse and recycle. Recovered energy is also an important element of recovery.

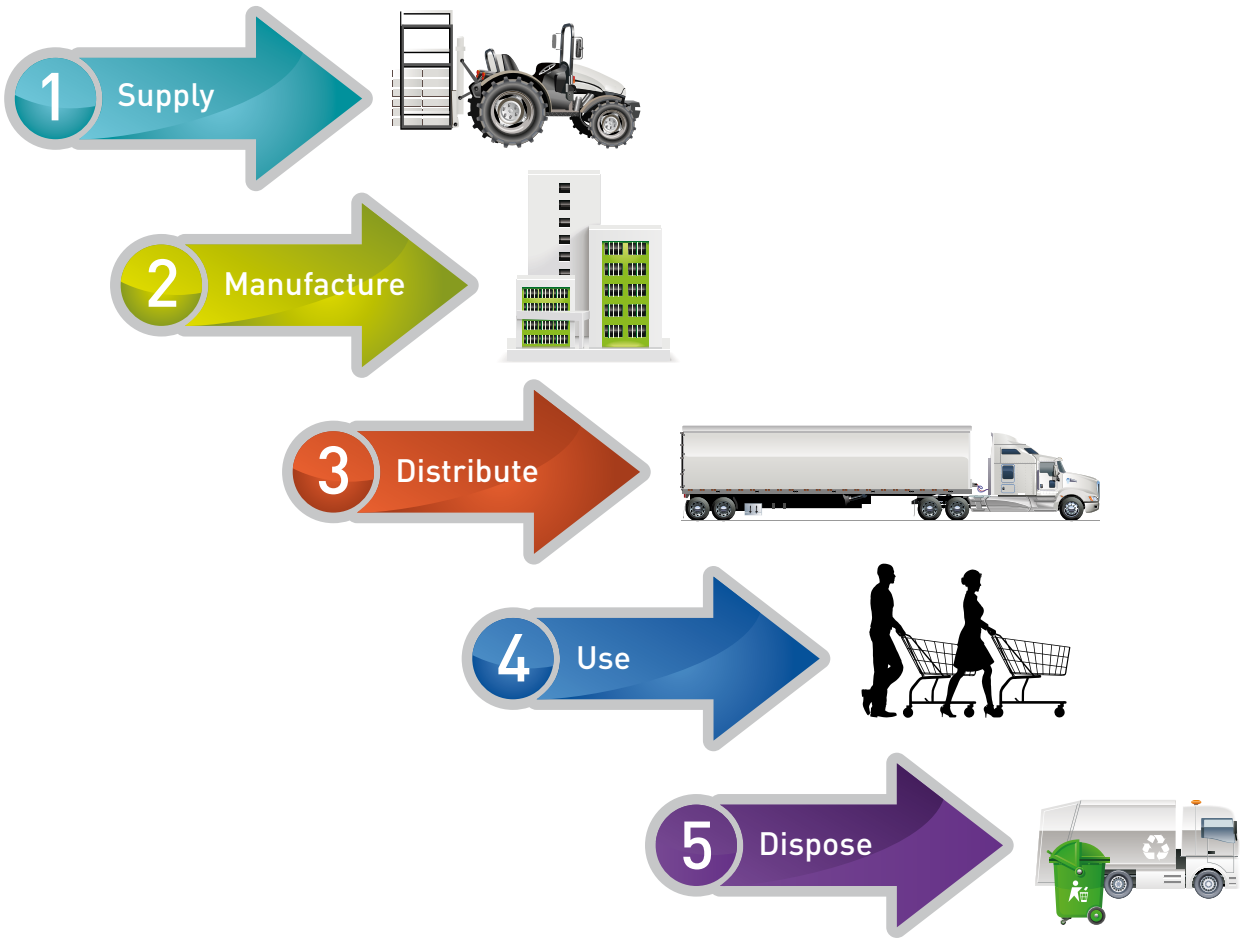
2.4 DISPOSE/ MITIGATE

At the final stage, resources are disposed into the environment as gas emissions, effluent water, and solid waste. Initiatives at this stage seek to minimize or mitigate the negative impact of this disposal. Effluent water quality, safe decomposition of waste materials, and mitigation of greenhouse gas emissions through carbon offsetting could all be considered in this stage.

3 Life Cycle Assessment

The Life Cycle Assessment (LCA) approach considers the inputs, outputs and environmental impact of a product during its full life span from raw materials to final disposal. The United Nations Environmental Program has proposed that "the purpose of life cycle thinking is to prevent piecemeal approaches and avoid problem shifting from one life cycle stage to another, from one geographic area to another, and from one environmental medium to another." LCA is particularly useful in determining where across the value chain the greatest environmental impact lies for a particular product. LCA may have its limitations in practice as a comparative tool, however, due to the difficulties in measurement and differences in metrics recorded at different points along the value chain, particularly for different types of products and services where the inputs and outputs can vary materially, thus confounding a fair comparison.

Figure 2: Life Cycle Assessment diagram



For the purposes of the Glossary, LCA is used to illustrate at which point in the value chain different environmental sustainability terms are most relevant. It is intended as a visual tool to help clarify consumer understanding and is not central to the definitions.

4 Common Terminology across Greenhouse Gas Emissions, Water, and Product-related Waste

As an aid to understanding, the Glossary seeks to use common terms across the three topics, even when there are competing terms in use.

Examples:

Terms related to footprint.

The "footprint" concept looks at the total ecological impact over the life cycle of a product or over the full value chain of a company.

The Glossary extends the footprint terminology to water to express the same concept.

Where there are pre-existing terms specific to the topic (e.g. "virtual water"), that term is also provided.

Terms related to use.

The Glossary distinguishes between "use", "industrial use", and "consumer use", with "industrial use" being the use of resources by the producer and "consumer use" being the use of resources by the consumer.

For example, "reduced water use" would be a general term, while "reduced industrial use of water" would involve reducing the water required within a plant or manufacturing facility and "reduced consumer use of water" would, for example, involve reducing the amount of water required to run a load of laundry using a particular product.

5 General Definitions

The Glossary begins with some general sustainability terms. Many of these terms are frequently used but can be overly broad in their definitions; when used as product claims, this imprecision can be misleading. Nevertheless, these terms are included in the Glossary as they are within the common parlance and set the context for the other definitions.

The definitions below include the term followed by the definition. For definitions with example of proper use and product or company claims associated with the term, please see the Terms Section.

GENERAL DEFINITIONS

Life Cycle Assessment (LCA)
The compilation and evaluation of the inputs, outputs, and the potential environmental impacts of a product system throughout its life cycle.

Extended producer responsibility
An environmental policy approach in which a producer's responsibility for a product is extended to the post-consumer stage of a product's life-cycle, generally implying a financial responsibility.

Environmentally sustainable
State in which current needs can be met without compromising the environmental resources available for future generations to meet their future needs.

Sustainable agriculture
A productive, competitive and efficient way to produce agricultural products, while at the same time protecting and improving the natural environment and social/ economic conditions of local communities.

Sustainable forestry
The use of forests and forest lands that maintains a balance between society's demand for forest products and benefits, while preserving forest diversity, extent and integrity for future generations.

Sustainable sourcing
Sourcing of materials that takes into account social and environmental responsibility to minimize resource depletion.

Sustainable facilities
Facilities that have considered the sustainable use of all resources (water, land, energy, raw materials) and waste (emissions, water, solid waste, etc.) in the siting, design, operations and demolition.

Green washing
The deceptive use of environmental marketing in order to promote a misleading perception that a company's policies or products are more environmentally sustainable than they actually are.

6 Greenhouse Gas Emissions

Rather than covering the whole of climate change, the Glossary focuses on terms associated with greenhouse gas emissions. The terms included in the "reduce" category have to do with efforts to reduce the energy required to produce goods and services. Reduction of associated emissions in energy production is covered in the "steward" category, as decisions as to how to extract energy with the least environmental impact are considered here to be a conservation issue.

The definitions below include the term followed by the definition and are grouped according to their place in the environmental sustainability framework. For definitions with example of proper use and product or company claims associated with the term, please see the Terms Section.

GREENHOUSE GAS EMISSIONS DEFINITIONS

REDUCE

Energy use/ consumption
The total energy used in the entire value chain (company) or over the full life cycle (product) from raw materials to manufacture, distribution, consumer use, and disposal. Typically expressed in Joules (J) or Kilowatt hours (kWh).

Direct energy use
The energy used within sources that are owned or controlled by the reporting entity.

Indirect energy use
Energy use that is a consequence of the activities of the reporting entity, but occur at sources owned or controlled by another entity (e.g. suppliers, customers).

Consumer energy use
Energy used during the consumer use stage of a product's life.

Energy efficiency
The percentage of energy used (and not wasted) to provide a given service (heating, lighting, etc.) or level of activity.

Energy productivity
A measure of the output and quality of goods, services, and activities generated with a given amount of energy use or efficiency.

Fleet/ transport efficiency
Energy use per unit to transport products within the value chain.

STEWARD

Renewable energy
Energy taken from sources that are non-fossil, for example, wind, water, solar, geothermal, and biomass.

Carbon footprint
The cumulative impact on climate change of total greenhouse gases emitted, typically expressed as carbon dioxide equivalents, over a given time frame in the entire value chain (company) or over the full life cycle (product) from raw materials to manufacture, distribution, consumer use, recovery and disposal.

Zero net carbon
Producing no net carbon dioxide equivalent (CO_2e) emissions over the course of one reporting year.

Carbon neutral
The status of having a zero net carbon footprint by balancing carbon dioxide equivalent (CO_2e) emissions with an equivalent amount sequestered, avoided or offset. This term can be vague and inconsistently used and should thus be treated with caution.

GREENHOUSE GAS EMISSIONS DEFINITIONS

Greenhouse gas (GHG) emissions
The release of gases that trap heat within the earth's atmosphere, including carbon dioxide (CO_2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF6).

Carbon dioxide equivalent (CO_2e)
The measure used to compare emissions from various greenhouse gases based on their global warming potential compared to carbon dioxide.

Direct emissions (Scope 1 emissions)
Emissions from sources that are owned or controlled by the reporting entity, including outsourced operations.

Indirect emissions (related to Scope 2 and 3 emissions)
Emissions that are a consequence of the activities of the reporting entity, but occur at sources owned or controlled by another entity (e.g. suppliers, customers).

Scope 1 Emissions
The reporting company's direct emissions (see above).

Scope 2 Emissions
The reporting company's indirect emissions (see above) from purchased electricity, heat, and steam.

Scope 3 Emissions
The reporting company's indirect emissions (see above) other than those covered in scope 2.

Deforestation
The clearance of forests by logging and burning that results in the conversion of forested lands for non-forest uses.

Natural refrigerants
Naturally occurring substances, such as hydrocarbons (propane, iso-butane), carbon dioxide, ammonia, water and air that are used as refrigerants and may be preferred over hydrofluorocarbons (HFC) as a replacement for prohibited chlorofluorocarbon (CFC) and hydro-chlorofluorocarbon (HCFC), based on HFC's ozone depletion and climate change impact, though some (i.e. hydrocarbon, ammonia) still may present a safety risk.

RECOVER/ REUSE/ RECYCLE

Recovered energy
Energy that is released from a resource recovery process that can then be used for another purpose, such as to generate steam, fuel or electricity.

DISPOSE/ MITIGATE

Carbon offsetting
The practice of claiming a reduction in CO_2 emissions for the product or service being considered based on the prevention or removal of GHG emissions in a process unrelated to the product being considered.

7 Water

The complexity of water conservation is that it centers not only on reducing the use of water but also on the context of where the water was drawn– ensuring that water use does not contribute to local water scarcity.

The definitions below include the term followed by the definition and are grouped according to their place in the environmental sustainability framework. For definitions with example of proper use and product or company claims associated with the term, please see the Terms Section.

REDUCE

Water footprint
Measure of impact of the water use of a product, process or company.

Direct water use (water withdrawal / consumption)
The water used by an organisation during that organisation's stage of the product life cycle, including any outsourced operations.

Indirect water use (virtual water)
Water used as a consequence of the activities of the reporting entity, but occur at sources owned or controlled by another entity. Terms such as virtual water typically apply only to suppliers rather than customers.

Consumer water use
Water used during the consumer use stage of a product's life.

STEWARD

Groundwater
Underground reserves of water. Groundwater reserves are typically replenished more slowly than surface water and, when depleted, can reduce freshwater availability into the future.

Water scarcity
State in which there is insufficient water (less than 1700 m^3/ person/ year)[2] for all the domestic, agricultural, and industrial demands within a region, in particular when water unavailability has adverse effects on human health or ecosystems, or results in groundwater depletion.

RECOVER/ REUSE/ RECYCLE

Rainwater harvesting
The process of capturing and storing rainwater, making possible either direct (non-potable) use or the diversion of captured water to reduce pressure on local groundwater reserves.

Grey water
Waste water which can be directly reused or treated and recycled for further non-potable use, distinguishable from white (potable) water and black (sewage) water. For an alternative definition used in the Water Footprinting context refer to ISO.

DISPOSE/ MITIGATE

Effluent water
Waste water that is discharged into the environment, either directly or via water treatment.

[2] Source: UNDP Human Development Report 2006

8 Product-related Waste

According to the principles of Integrated Waste Management (see definition below), Product-related Waste efforts focus across the whole of the environmental sustainability framework, including reduction and conservation as well as recovery and disposal. Notwithstanding its place within the framework, disposal of Product-related Waste is a critical element of environmental sustainability. Increasing the biodegradability and compostability of products and packaging are considerations within a comprehensive product-related waste management strategy.

The Product-related Waste definitions within this Glossary are complemented by the work of the CGF Packaging Project, which further defines packaging-related terms and specifies many of the indicators and metrics associated with waste reduction that are referenced here as product and company claims.

The definitions below include the term followed by the definition. For definitions with example of proper use and product or company claims associated with the term, please see the Terms Section.

Integrated Waste Management
A method of waste management that employs waste control methods across the full life cycle, including source reduction, recycling, re-use, energy recovery, incineration, and land filling.

REDUCE

Resource use
Materials and other resources used in the manufacture and distribution of a product.

Waste reduction (source reduction)
To minimize/ optimize the amount of resources used in the life cycle of a product and its packaging.

Extended life product
A product that has a comparatively longer useful life than alternatives, based on inherent characteristics or components that can be replaced or upgraded.

Post-consumer content/ waste
Waste that is disposed of after the product reaches the consumer.

STEWARD

Renewable materials/ resource
Raw materials originating from the harvesting of naturally replenishing resources which are replenished at a similar rate to the rate of consumption.

Recycled materials/ content
Materials that would otherwise have been sent to the waste stream but are instead used in the production of a new product.

Made from recycled materials/ content
Materials that are made from recycled materials/ content but may or may not be in themselves recyclable.

RECOVER/ REUSE/ RECYCLE

Designed for disassembly
Ability to separate specific parts of a product to be disposed of by various methods, such as reuse or recycling so as to minimise the materials going to landfill.

Recovered/ redirected materials
Products or packaging that have been successfully diverted from the waste stream.

Reusable
Ability to use a product, component, or packaging again in its original form after the initial use.

Returnable
Ability of product or packaging to be returned by the consumer to the retailer, producer, or other party for refill, reuse, or recycling.

Refillable
Ability to refill a product, component, or packaging with the same or similar product for use again after the initial use without needing additional processing.

Recyclable
Ability for materials in a product or packaging to be made into new, useful products through existing recycling programs available locally to the consumer.

DISPOSE/ MITIGATE

Waste for final disposal
Materials from a product or packaging that are not recovered from the waste stream but are disposed through landfill or incineration.

Polyvinyl Chloride (PVC)
A material that can be used in packaging which is often replaced due to its disposal to household solid waste incinerators and its limited compatibility with plastics recycling.

Biodegradable
Ability of a material to completely break down and decompose into elements found in nature within no more than one year after customary disposal (i.e. landfill).

Compostable
Ability for a product or packaging to decompose into usable, soil-enriching compost in composting facilities readily available to consumers within a timeframe that is comparable to plant material decomposition.

Energy recovery (Waste-to-energy)
Energy that is generated from the incineration of waste using various heat recovery devices.

Hazardous waste disposal
Disposal of waste that poses substantial or potential threats to public health or the environment and requires specific management for safe disposal.

9 Next Steps for the Glossary Project

9.1 INITIAL ADOPTION AND USE OF THE GLOSSARY

This Glossary represents an initial step in a process of harmonizing environmental sustainability terms within the consumer goods industry. The vision for the project is to ensure that consumer communications are both clear and meaningful, allowing fewer opportunities for "Green washing" through use of terms that might be empty of meaning. The Glossary is intended to complement rather than replace voluntary standards that are already in place in many countries and regions, and all retailers and manufacturers are encouraged to refer to such sources for guidance. However, the future success of this project is dependent on individuals and companies using the terms and definitions in a consistent way.

This Glossary will be published on the CGF website and CGF members will be encouraged to either link to those terms or include them directly their own environmental sustainability sites. The definitions have been reviewed by CGF and independent reviewers, and member companies can start using the definitions with confidence. For example, definitions can be posted on consumer-facing websites alongside pre-existing sustainability content. In addition to the "dictionary format", a more pictorial version of the Glossary could provide the terms in a more interactive format to better explain the terms within the context of the life cycle.
As the definitions gain acceptance, they can also support internal communications as well as communications with trading partners, as more industry players are encouraged to adopt the terms.

9.2 FURTHER DEVELOPMENT OF THE GLOSSARY

Measurement

Now that the scope of focus has been established and key terms have been defined, the principal gap that remains is to agree standard measurement criteria. In addition to defining key terms, the Glossary has sought to identify – but not to define – those claims that are associated with the terms. Although it is outside the scope of the Glossary Project, specification of the metrics to define those claims is critical to transparency and comparability of products. In fact, it is expected that in many cases, claims that are not measurable might be eliminated from the lexicon altogether. As the CGF Measurement Group agrees the metrics associated with the definitions and claims, the Glossary and metrics will become more important in managing specifications with trading partners.

Expansion of term

The scope of the Glossary currently covers greenhouse gas emissions, water, and product-related waste. To take the Glossary forward, more topics can be included and more terms covered within each topic. Coordination with related projects will help to reduce duplication, which is particularly important because establishing a single set of terms and definitions should be a goal of this and related projects.

10 Acknowledgements

The CGF would like to thank the following individuals for their participation in the Glossary Project:

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The Consumer Goods Forum would also like to acknowledge and thank the independent reviewers that contributed their comments and feedback to this Glossary.

ABOUT THE CONSUMER GOODS FORUM

The Consumer Goods Forum (CGF) is a global, parity-based industry network, driven by its members. It brings together the CEOs and senior management of over 650 retailers, manufacturers, service providers and other stakeholders across 70 countries and reflects the diversity of the industry in geography, size, product category and format. Forum member companies have combined sales of EUR 2.1 trillion and their retailer and manufacturer members employ over 9.1 million people.

The Forum was created in June 2009 by the merger of CIES - The Food Business Forum, the Global Commerce Initiative (GCI) and the Global CEO Forum. The Consumer Goods Forum is governed by its Board of Directors, which includes 50 manufacturer and retailer CEOs and Chairmen.

The Forum provides a unique global platform for knowledge exchange and initiatives around five strategic priorities – Emerging Trends, Sustainability, Safety & Health, Operational Excellence and Knowledge Sharing & People Development – which are central to the advancement of today's consumer goods industry.

The Forum's vision is: "Better lives through better business". To fulfil this, its members have given the Forum a mandate to develop common positions on key strategic and operational issues affecting the consumer goods business, with a strong focus on non-competitive process improvement. The Forum's success is driven by the active participation of the key players in the sector, who together develop and lead the implementation of best practices along the value chain.

With its headquarters in Paris and its regional offices in Washington, D.C., and Tokyo, the CGF serves its members throughout the world.

SUSTAINABILITY IN THE CONSUMER GOODS FORUM

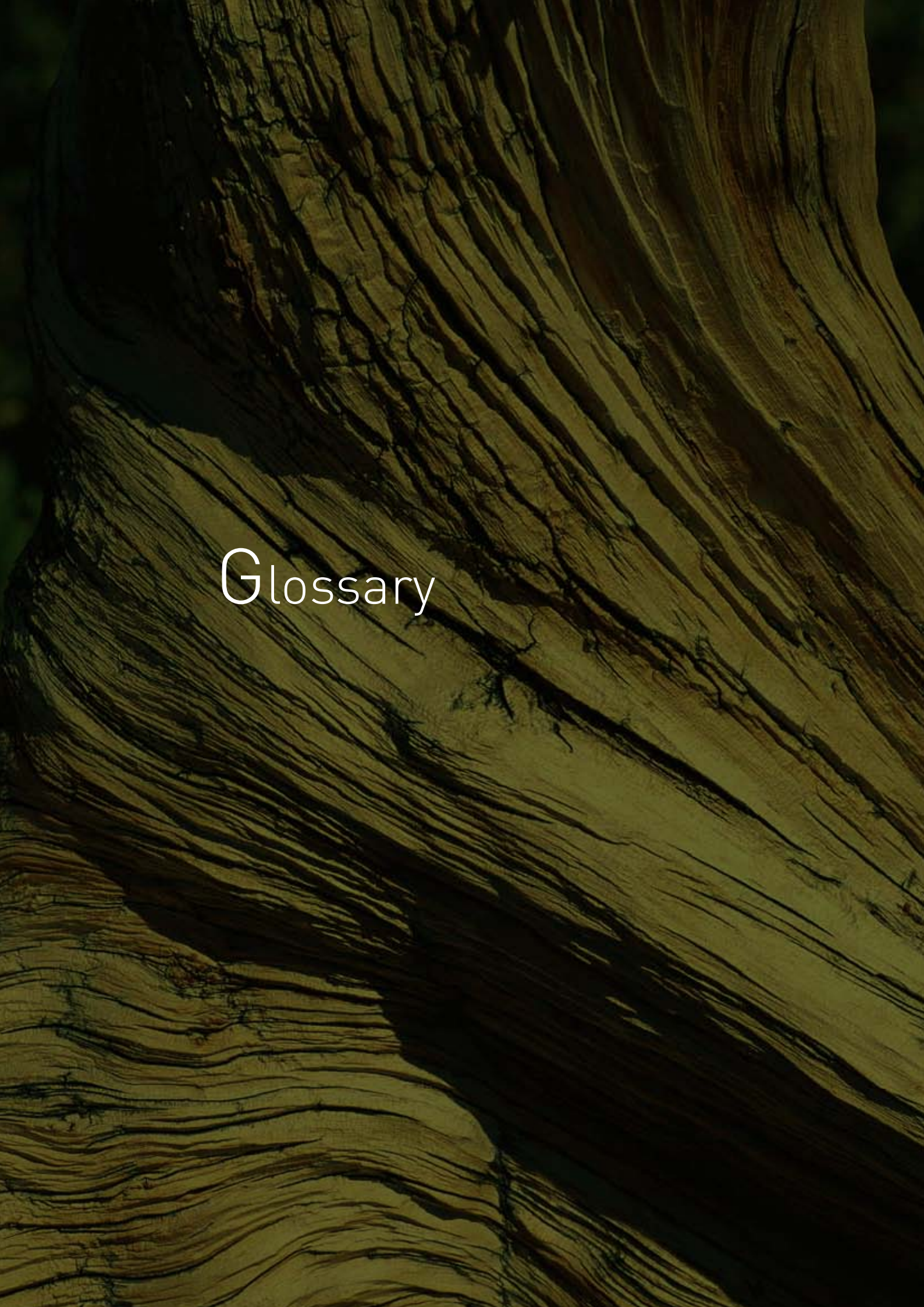
The activities of the Consumer Goods Forum are organized into a series of strategic pillars. 'Sustainability' is one of the strategic pillars. David North of Tesco, and Gavin Neath of Unilever, co-chair the Sustainability Steering Committee on behalf of the Board of the Consumer Goods Forum.

A Sustainability Steering Group consisting of twenty five business leaders from across the Forum companies lead the activities within the pillar on behalf of the sponsors.

www.theconsumergoodsforum.com

http://sustainability.theconsumergoodsforum.com

[2] Source: UNDP Human Development Report 2006



Glossary

Definitions with Examples and Claims

The definitions that follow are grouped by topic according to their place in the environmental sustainability framework. They include the term followed by the definition as well as examples of usage and sample claims that are often associated with the term. Claims can often be a source of green-washing, for example when they are vague, provide no proof, are not relevant to the product in question, or rely on hidden trade-offs[3], so care should be taken when interpreting claims associated with products or companies. In some cases, the claims below include Global Reporting Initiative[4] (GRI) metrics.

GENERAL TERMS

Term	Example of usage	Sample claims
Life Cycle Assessment (LCA) The compilation and evaluation of the inputs, outputs, and the potential environmental impacts of a product system throughout its life cycle.	A full carbon LCA of a product can help identify emissions "hot spots" within the product supply chain.	
Extended Producer Responsibility (EPR) An environmental policy approach in which a producer's responsibility for a product is extended to the post-consumer stage of a product's life-cycle, generally implying a financial responsibility.	EPR initiatives include product take-back programs, deposit refund systems, product fees and taxes, and minimum recycled-content rules.	
Environmentally sustainable State in which current needs can be met without compromising the environmental resources available for future generations to meet their future needs.	Consumption of resources faster than the rate of replenishment is not environmentally sustainable.	

[3] See http://sinsofgreenwashing.org/
[4] See http://www.globalreporting.org/Home

GENERAL TERMS

Term	Example of usage	Sample claims
Sustainable agriculture A productive, competitive and efficient way to produce agricultural products, while at the same time protecting and improving the natural environment and social/economic conditions of local communities.	One technology supporting sustainable agriculture is drip irrigation to conserve water by preventing evaporation.	
Sustainable forestry The use of forests and forest lands that maintains a balance between society's demand for forest products and benefits, while preserving forest diversity, extent and integrity for future generations.	Our sustainable forestry practices include programmes to reduce deforestation.	Zero net deforestation; materials do not contribute to rainforest deforestation.
Sustainable sourcing Sourcing of materials that takes into account social and environmental responsibility to minimize resource depletion.	As more companies pursue sustainable sourcing, the supply market will need to respond.	Material sourced from verifiable sustainable renewable sources or made from recycled materials (% by weight).
Sustainable facilities Facilities that have considered the sustainable use of all resources (water, land, energy, raw materials) and waste (emissions, water, solid waste, etc.) in the siting, design, operations and demolition.	Our sustainable facilities policy restricts siting in areas with water scarcity.	Energy and water efficient facilities.
Greenwashing The deceptive use of environmental marketing in order to promote a misleading perception that a company's policies or products are more environmentally sustainable than they actually are.	Unspecified use of terms on product labels contributes to greenwashing.	

GREENHOUSE GAS EMISSIONS

REDUCE

Term	Example of usage	Sample claims
Energy use/ consumption The total energy used in the entire value chain (company) or over the full life cycle (product) from raw materials to manufacture, distribution, consumer use, and disposal. Typically expressed in Joules (J) or Kilowatt hours (kWh).	Energy use for this product is greatest at the manufacturing and consumer stages of the life cycle.	Since [date] we have reduced the energy use for this product by more than xx%.
Direct energy use The energy used within sources that are owned or controlled by the reporting entity.	The greatest impact on the total energy use for this product is from the indirect energy use from our suppliers rather than the direct energy use of our own operations.	Direct energy consumption by primary energy source (GRI EN3); energy saved due to conservation and efficiency improvement (GRI EN5).
Indirect energy use Energy use that is a consequence of the activities of the reporting entity, but occur at sources owned or controlled by another entity (e.g. suppliers, customers).	The greatest impact on the total energy use for this product is from the indirect energy use from our suppliers rather than the direct energy use of our own operations.	Indirect energy consumption by primary energy source (GRI EN4); initiatives to reduce indirect energy consumption and reductions achieved. (GRI EN7).
Consumer energy use Energy used during the consumer use stage of a product's life.	Energy-efficient light bulbs allow consumers to reduce consumer energy use – and their energy bills.	Energy-efficient; initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives (GRI EN6); initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation (GRI EN26).
Energy efficiency The percentage of energy used (and not wasted) to provide a given service (heating, lighting, etc.) or level of activity.	My new energy efficient refrigerator uses 40% less energy than my old one.	Energy-efficient; initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives (GRI EN6).

GREENHOUSE GAS EMISSIONS

	Term	Example of usage	Sample claims
REDUCE	**Energy productivity** A measure of the output and quality of goods, services, and activities generated with a given amount of energy use or efficiency.	Although my new refrigerator is energy efficient, it is too big for my needs and is therefore less energy productive than it could be.	
REDUCE	**Fleet/ transport efficiency** Energy use per unit to transport products within the value chain.	Use of both outbound and inbound travel to move goods has increased our fleet efficiency.	Increased volume of goods delivered per unit of fuel; reduced transportation emissions by xx% in x years.
STEWARD	**Renewable energy** Energy taken from sources that are non-fossil, for example, wind, water, solar, geothermal, and biomass.	This facility is powered entirely with renewable energy, requiring no burning of fossil fuels.	Supplied with % renewable energy.
STEWARD	**Carbon footprint** The cumulative impact on climate change of total greenhouse gases emitted, typically expressed as carbon dioxide equivalents, over a given time frame in the entire value chain (company) or over the full life cycle (product) from raw materials to manufacture, distribution, consumer use, recovery and disposal.	The greatest impact on our carbon footprint comes from the indirect emissions by our suppliers and end consumers rather than the direct emissions of our own operations.	Carbon neutral; zero net carbon; product carbon footprint.
STEWARD	**Zero net carbon** Producing no net carbon dioxide equivalent (CO_2e) emissions over the course of one reporting year.	We will become a zero net carbon business by 2050, without purchasing offsets.	Carbon neutral; zero net carbon.
STEWARD	**Carbon neutral** The status of having a zero net carbon footprint by balancing carbon dioxide equivalent (CO_2e) emissions with an equivalent amount sequestered, avoided or offset. This term can be vague and inconsistently used and should thus be treated with caution.	Your flight can be made carbon neutral through the purchase of carbon offsetting credits.	Carbon neutral; zero net carbon.

GREENHOUSE GAS EMISSIONS

Term	Example of usage	Sample claims
Greenhouse gas (GHG) emissions The release of gases that trap heat within the earth's atmosphere, including carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF6).	Through a move to cleaner energy, we have kept our direct greenhouse gas emissions stable.	Reduction of GHG emissions (absolute or relative, specifying comparator).
Carbon dioxide equivalent (CO_2e): The measure used to compare emissions from various greenhouse gases based on their global warming potential compared to carbon dioxide.	Comparison of the potential impact of methane gas emissions on global warming to HFCs can be done by calculating their carbon dioxide equivalents.	Reduction of CO_2e emissions (absolute or relative, specifying comparator).
Direct emissions (Scope 1 emissions) Emissions from sources that are owned or controlled by the reporting entity, including outsourced operations.	The greatest impact on our carbon footprint comes from the indirect emissions by our suppliers and end consumers rather than the direct emissions of our own operations.	Carbon neutral; zero net carbon; direct greenhouse gas emissions by weight (GRI EN16); initiatives to reduce greenhouse gas emissions and reductions achieved; (GRI EN18); emissions of ozone-depleting substances by weight (GRI EN19); NO, SO and other significant air emissions by type and weight (GRI EN20).
Indirect emissions (related to Scope 2 and 3 emissions) Emissions that are a consequence of the activities of the reporting entity, but occur at sources owned or controlled by another entity (e.g. suppliers, customers).	The greatest impact on our carbon footprint comes from the indirect emissions by our suppliers and end consumers rather than the direct emissions of our own operations.	Direct greenhouse gas emissions by weight (GRI EN16); other relevant indirect greenhouse gas emissions by weight (GRI EN17).
Scope 1 Emissions The reporting company's direct emissions (see above).		
Scope 2 Emissions The reporting company's indirect emissions (see above) from purchased electricity, heat, and steam.		

STEWARD

GREENHOUSE GAS EMISSIONS

	Term	Example of usage	Sample claims
STEWARD	**Scope 3 Emissions** The reporting company's indirect emissions (see above) other than those covered in scope 2.	Business travel involves Scope 3 emissions that are not directly emitted by the reporting company but are emitted nonetheless.	
STEWARD	**Deforestation** The clearance of forests by logging and burning that results in the conversion of forested lands for non-forest uses.	Our sustainable forestry practices include reducing deforestation.	Zero net deforestation; materials do not contribute to rainforest deforestation.
STEWARD	**Natural refrigerants** Naturally occurring substances, such as hydrocarbons (propane, iso-butane), carbon dioxide, ammonia, water and air that are used as refrigerants and may be preferred over hydrofluorocarbons (HFC) as a replacement for prohibited chlorofluorocarbon (CFC) and hydro-chlorofluorocarbon (HCFC), based on HFC's ozone depletion and climate change impact, though some (i.e. hydrocarbon, ammonia) still may present a safety risk.	We will phase out HFC refrigerants and replace them with natural refrigerants by 2015.	% usage of natural refrigerants; non-HFC refrigerants (natural refrigerant alternatives).
RECOVER	**Recovered energy** Energy that is released from a resource recovery process that can then be used for another purpose, such as to generate steam, fuel or electricity.	Recovered energy at this manufacturing plant has improved our overall energy footprint.	
DISPOSE	**Carbon offsetting** The practice of claiming a reduction in CO_2e emissions for the product or service being considered based on the prevention or removal of GHG emissions in a process unrelated to the product being considered.	Your flight can be made carbon neutral through the purchase of carbon offset credits.	Carbon offset; zero net carbon; carbon neutral.

WATER

REDUCE

Term	Example of usage	Sample claims
Water footprint Measure of impact of the water use of a product, process or company.	The greatest impact on our water footprint is from the indirect water use from our suppliers and end consumers rather than the direct water use of our own operations.	Reduced water footprint including consumer use; zero net water impact; positive water balance.
Direct water use (water withdrawal) The water used by an organisation during that organization's stage of the product life cycle, including any outsourced operations.	The greatest impact on our water footprint is from the indirect water use by our suppliers and end consumers rather than our direct water use of our own operations.	Total water withdrawn, by source (GRI EN8); water sources significantly affected by withdrawal of water (GRI EN9); water use reduction targets (relative or absolute), differentiated for water-stressed regions; improved water use efficiency by xx% within x years; in-plant water conservation.
Indirect water use (virtual water) Water used as a consequence of the activities of the reporting entity, but occur at sources owned or controlled by another entity. Terms such as virtual water typically apply only to suppliers rather than customers.	The greatest impact on our water footprint is from the indirect water use by our suppliers and end consumers rather than our direct water use of our own operations.	Reduced water withdrawal including suppliers/ water use reduction.
Consumer water use Water used during the consumer use stage of a product's life.	Use of water-saving toilets enables consumers to reduce consumer water use, particularly when supplied with grey water rather than potable water.	Water-efficient product; reduced water consumption.
Groundwater Underground reserves of water. Groundwater reserves are typically replenished more slowly than surface water and, when depleted, can reduce freshwater availability into the future.	We limit withdrawal from ground water sources to ensure that there is no long-term water depletion.	Siting decisions using a watershed approach; water responsibly sourced.

WATER

	Term	Example of usage	Sample claims
STEWARD	**Water scarcity** State in which there is insufficient water (less than 1700 m^3/person/year)[5] for all the domestic, agricultural, and industrial demands within a region, in particular when water unavailability has adverse effects on human health or ecosystems, or results in groundwater depletion.	We consider water scarcity in the siting of our facilities to ensure that we do not deprive local communities of adequate water supplies.	Percentage of facilities and quantity of water drawn from water-stressed regions; no contribution to water scarcity; positive water balance in water stressed regions.
STEWARD	**Rainwater harvesting** The process of capturing and storing rainwater, making possible either direct (non-potable) use or the diversion of captured water to reduce pressure on local groundwater reserves.	We use rainwater harvesting to provide water for our toilets and to feed surrounding surface and groundwater reserves.	Rainwater harvesting to replenish local aquifers.
RECOVER	**Grey water** Waste water which can be directly reused or treated and recycled for further non-potable use, distinguishable from white (potable) water and black (sewage) water. For an alternative definition used in the Water Footprinting context refer to ISO.	Use of water-saving toilets enables consumers to reduce consumer water use, particularly when supplied with grey water instead of potable water.	Percentage and total volume of water recycled and reused (GRI EN10).
DISPOSE	**Effluent water** Waste water that is discharged into the environment, either directly or via water treatment.	The quality of the effluent water we release back into the environment is as good as or better than the water that we initially withdrew.	Total water discharge by quantity, quality and destination (GRI EN21); identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharge of water and run off (GRI EN25); reduced polluting power of effluents by xx% in x years; improved water quality post-consumer use; effluent water quality standards (e.g. as good or better than influent water quality).

[5] Source: UNDP Human Development Report 2006

PRODUCT-RELATED WASTE

	Term	Example of usage	Sample claims
GENERAL	**Integrated Waste Management** A method of waste management that employs waste control methods across the full life cycle, including source reduction, recycling, re-use, energy recovery, incineration, and land filling.	Our integrated waste management programme has decreased our waste to landfill by 80%.	
REDUCE	**Resource use** Materials and other resources used in the manufacture and distribution of a product.	Our waste reduction programme has decreased overall resource use by 30%.	Reduced resource use.
	Waste reduction (source reduction) To minimize/ optimize the amount of resources used in the life cycle of a product and its packaging.	Our waste reduction programme has decreased overall resource use by 30%.	Reduced packaging materials weight (absolute or relative, with named comparator); reduced resource use (can be a %, with named comparator); zero waste.
	Extended life product A product that has a comparatively longer useful life than alternatives, based on inherent characteristics or components that can be replaced or upgraded.	This extended life product reduces the overall resource use by 50% over the current alternative.	Percentage of life extension with named comparator.
	Post-consumer content/ waste Waste that is disposed of after the product reaches the consumer.	The post-consumer content that went into manufacturing this product was reclaimed through our local recycling programme.	% post-consumer content.

PRODUCT-RELATED WASTE

STEWARD

Term	Example of usage	Sample claims
Renewable materials/ resource Raw materials originating from the harvesting of naturally replenishing resources which are replenished at a similar rate to the rate of consumption.	Use of renewable materials aims to ensure that resources are replenished faster than they are consumed.	Made from % renewable materials.
Recycled materials/ content Materials that would otherwise have been sent to the waste stream but are instead used in the production of a new product.	Paper is a common recycled material that is used in manufacturing of new products.	Percentage/ tonnage recycled materials of total materials; Made entirely from recycled materials; 30% recycled content.
Made from recycled materials/ content Materials that are made from recycled materials/ content but may or may not be in themselves recyclable.	Some products can be made from recycled materials and yet not be recyclable itself.	Percentage/ tonnage recycled materials of total materials; made entirely from recycled materials; xx% recycled content

PRODUCT-RELATED WASTE

RECOVER

Term	Example of usage	Sample claims
Designed for disassembly Ability to separate specific parts of a product to be disposed of by various methods, such as reuse or recycling so as to minimise the materials going to landfill.	The SMART car is designed for disassembly for proper recycling and disposal of component parts.	Designed for disassembly.
Recovered/ redirected materials Products or packaging that have been successfully diverted from the waste stream.	Our organisation reuses and recycles recovered materials from the waste stream.	Recovery rate of materials diverted from waste stream to reuse/ recycle; percentage of products sold and their packaging materials that are reclaimed by category (GRI EN27).
Reusable Ability to use a product, component, or packaging again in its original form after the initial use.	The container can be reused / refilled for its original purpose without reprocessing beyond normal cleaning operations.	This product is supplied with a durable, reusable container as well as a light-weight refill.
Returnable Ability of product or packaging to be returned by the consumer to the retailer, producer, or other party for refill, reuse, or recycling.	Glass beverage bottles are returnable to the manufacturer for refill and reuse.	Returnable.
Refillable Ability to refill a product, component, or packaging with the same or similar product for use again after the initial use without needing additional processing.	Ink cartridges are refillable to reduce both the waste generated and the cost of replacement.	This product is supplied with a durable, reusable container as well as a light-weight refill.
Recyclable Ability for materials in a product or packaging to be made into new, useful products through existing recycling programs available locally to the consumer.	Although some plastic bags are technically recyclable, when used as intended they will invariably end up in disposal facilities such as landfill and not be recycled.	Can be returned to [store] for recycling.

PRODUCT-RELATED WASTE

DISPOSE

Term	Example of usage	Sample claims
Waste for final disposal Materials from a product or packaging that are not recovered from the waste stream but are disposed through landfill or incineration.	Our waste recovery programme has eliminated all waste for final disposal for this product.	% total materials that end in final disposal; zero consumer waste goes to landfill; zero landfill company; zero waste.
Polyvinyl Chloride (PVC) A material that can be used in packaging which is often replaced due to its disposal to household solid waste incinerators and its limited compatibility with plastics recycling.	We have eliminated all use of blister packs, "clam shells" and other PVC packaging from our private brand packaging.	Eliminated/ reduced PVC from packaging.
Biodegradable Ability of a material to completely break down and decompose into elements found in nature within no more than one year after customary disposal (i.e. landfill).	Because this soap is biodegradable, it has a lower impact on water quality.	Biodegradable.
Compostable Ability for a product or packaging to decompose into usable, soil-enriching compost in composting facilities readily available to consumers within a timeframe that is comparable to plant material decomposition.	Low access to composting facilities in this area makes it difficult for companies to legitimately claim that a product is compostable.	Compostable/ compostable packaging; suitable for home composting.
Energy recovery (Waste-to-energy) Energy that is generated from the incineration of waste using various heat recovery devices.	Waste-to-energy facilities are an alternative to traditional incineration.	
Hazardous waste disposal Disposal of waste that poses substantial or potential threats to public health or the environment and requires specific management for safe disposal.	Our hazardous waste disposal includes a programme to collect electronics goods from consumers.	Electronics returnable for recycling.

The Consumer Goods FORUM
The Global Network Serving Shopper & Consumer Needs

INTERNATIONAL HEADQUARTERS
22/24 rue du Gouverneur Général Eboué
92130 Issy-les-Moulineaux
France

Tel: (+33) 1 82 00 95 95
info@theconsumergoodsforum.com

JAPAN OFFICE
Kitano Arms 609,
2-16-15 Hirakawa-cho,
Chiyoda-ku,Tokyo 102-0093
Japan

Tel: (+81) 3 6272 6283
tokyo@theconsumergoodsforum.com

THE AMERICAS OFFICE
8455 Colesville Road, Suite 705
Silver Spring, Maryland 20910
USA

Tel: (+1) 301 563 3383
washington@theconsumergoodsforum.com

www.theconsumergoodsforum.com