LUSH
LUSH approach to Circular Economy

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Presentation content

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Introducing Lush Cosmetics

1995
Founded in Poole, UK

First Shop
Open 1996 our first shop in North America - Vancouver

Manufacturing
in Vancouver and Toronto for N.A. markets
Introducing Lush Cosmetics

250 Stores in North America

>10,000 staff in retail and manufacturing in peak season

Over $600M of Revenue in 2016.
2017

900+ Shops

6 Lush Factories

Global Supply Chain

51 Countries
Core Values
Sustainable Packaging
“Packaging is part of product design"

“Naked” products = No packaging
Less Packaging = Less waste
- Source Reduction
- Re usable packaging
- Use of 100% Post Consumer Recycled (PCR) materials
2016 Spend report – Packaging is ranked #1 ( $20M )

Plastic Bottles – 4.7 million units
Plastic Jars/pots – 10.2 million units
Paper based packaging – 3,100 metric tons
Plastics packaging
100% Post Consumer Recycled (PCR)
Recycled Plastics

Black pots are made from #5 polypropylene (PP) plastics – used 350MT in 2016
The 2017 APR Plastics Recycling Showcase

The Lush Black Pot: The First FDA PP PCR Resin and Rigid Packaging Application for Cosmetics

Lush Fresh Handmade Cosmetics are purveyors of good, clean fun. They offer luxurious, ethical and innovative skincare, haircare and both indulgences, as well as unique gifts filled with fragrance and effective products, of creating innovative cosmetics using fresh fruits and vegetables, the finest essential oils and ingredients that are ethically and sustainably sourced. Never tested on animals, every single Lush product is vegetarian, and about 80% are vegan, 40% preservative-free and 30% unprocessed. Lush supports Fair Trade, Community Trade and charitable initiatives and follows the simple policy: have the least possible impact on the environment while still producing beautiful and effective products. 2015 marked Lush’s 26th anniversary. Lush has 250 locations across North America. Learn more at www.lushusa.com

KW Plastics is the world’s largest plastics recycler and postconsumer resin supplier for HDPE and PP, with more than 1.50 million lbs. in-silo capacity and equipment to process over a 500,000,000 lbs. annually. KW boasts the industry’s largest capacities for blow molding, injection molding, extrusion and blown film. KW offers a variety of premium PCR to the packaging, beauty & personal care, housewares, automotive, pipe, paint & coatings, agriculture and sheet industries. KW Plastics is an ISO 9001:2008 registered facility with ISO 17025:2005 accredited lab. www.kwplastics.com

Product Description
The Lush Black Pot is a 100% PCR PP package that include an injection molded container and lid. The package, made for cream and lotions, is made with KW6039/20A and KW611FD4-30 resins that have received FDA letters of non-objection for 100% content. This PCR resin supplied by KW Plastics provides consistent quality and contaminant free material that Lush injection molding partner, Placon Plastics, was able to process with confidence.
Clear bottles are made from #1 Polyester (PET) plastics – used 53MT in 2016
Lush Fresh Handmade Cosmetics

Product: Clear PET Bottles

LUSH cosmetics creates fresh, handmade personal care products from soap to face masks and are made from 100% recycled resins with waste prevented throughout the supply chain.

A defining value of LUSH cosmetics is that when it comes to packaging, less is more. Throughout their product lines they aim for 'naked' products which can be purchased without packaging, and for their liquid products, one of their primary packaging forms is clear PET bottles made from 100% post-consumer recycled PET - #1 plastic, the most widely recyclable across North America.

Produced in Toronto, Ontario, the use of 100% recycled plastic means their bottles have about half of the energy used to create them compared to virgin PET bottles. They reduced the thickness of their bottles in 2012, enabling more bottles to be made with the same amount of material, using additive manufacturing reduces waste throughout the supply chain.

LUSH minimizes waste throughout manufacturing and retail, from using reusable packaging where possible for internal inventory transfers, to monitoring and controlling their wastes in a dynamic software system. Each production section has a green team, and they have an overall sustainability team who educates staff (especially any defective plastic bottles enter recycling - garbage bins are regularly inspected to make sure no bottles are slipping through.

These bottles are transported in bulk and distributed through stores across North America. Although the PET bottle is the spotlight in this feature, LUSH also uses 100% post-consumer recycled PP (polypropylene) for their black pots, and 100% post-consumer recycled HDPE for their black bottles.

**Highlights**

- Made from 100% post-consumer recycled PET
- Minimized wall thickness in 2012
- 100% recyclable
Black bottles are made from #2 high density Polyethylene (HDPE) – used 11 MT in 2016.
Black Lip tubes for lip gloss and caps for glass jars are made from #5 PP plastics

Recycled Plastics
We use recycled PETG (RPETG) in our plastic moulds – used 24 MT in 2016.
Recycled Paper and Gift Packaging
Corrugated boxes are made from 100% Post Consumer Waste (PCW) liner board
Retail paper shopping bags in Lush stores are made from 100% recycled kraft paper.
Recycled Paper and Gift Packaging

Gifts paper packaging such as gift wrap, gift tags & and boxes are all made from 100% PCW paper.
Other Recycled Materials
Gift fabric used as giftwrap are made from 100% PCR Polyester (PET) and reusable!
Aluminum tin contains 40% recycled content and is used in shampoo, massage bar, solid perfume, and lip balm packaging. Aluminum has a high recycling rate. Other recycled materials...
Gift void fillers called “bio foam peanuts” are made from starch and are compostable and biodegradable as a polystyrene (PS is #6 plastics) replacement.
We use cellophane ("Natureflex") a compostable and biodegradable material to wrap our "FUN" bubbles.
Closed Loop System
BRING BACK PROGRAM

“Bring back 5 clean and empty LUSH pots
And get a FREE fresh face mask.”
Closed Loop Systems at Lush
- A way to say “Thank you" for returning black pots so it can be recycled.
- Black plastics are hard to recycle.
- Educate customers on recycling.
Closed Loop Plastics – Return Rates
Closed Loop Plastics – Return Rates

1,080,000 pcs
In 2016 we received back 1,080,000 pcs - about 35 metric tons of plastics

880,000 pcs
In 2015, we received 880,000 pcs

13%
Return rate of 13% in 2016
Ocean Plastics project
Ocean Plastics project

PILOT RUN PROJECT PARTNERS

Ocean Legacy Foundation - Charity pot partner of LUSH

Canada Fibers / Urban Resources Group

Plastic converters – Plascon and Salbro bottles
Ocean Plastics project

PILOT RUN TIMELINE

- Spring & summer 2016 Beach clean up projects in Islands of B.C.
- Canada Fibers - Washing, Grinding and pelletizing in Jan. 2017
- Converters - blend to LUSH Packaging in Feb. - Apr. 2017
Ocean Plastics project

PILOT RUN LEARNINGS & CHALLENGES

**Ocean Legacy**
- Plastic sorting.
- 50% is PS
- 4,500 lbs mixed HDPE / PP, PET.

**Canada Fibers**
- Lots of contaminants.
- Larger plastics.
- Small volume.

**Converters**
- Blending of Ocean Plastics from 5% to 7%.
- Very low M.I.
- PET bottle only 2%.
Ocean Plastics project

MOVING FORWARD – 2017 …

Ocean Legacy
- Improve sorting.
- Grinder in house.
- More community clean up projects.

Canada Fibers
- Run higher volume.
- Densified materials.

Converters
- Increase blend to 10%.
- Look at other packaging.
Thank you!

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