

PLASTIC IQ FAQs June 2021

OVERVIEW, OBJECTIVES AND VISION

What is Plastic IQ?

Plastic IQ is an open access, free digital resource to help U.S. companies that make or sell plastic packaging visualize an effective plastic packaging strategy, work together to compare strategies to industry best practices, and prioritize innovative solutions to make progress toward a circular economy for plastics. From reuse to redesign and recycling, Plastic IQ is designed to help companies take action to reduce plastic waste. Plastic IQ is a digital circular solutions resource backed by expert, peer-reviewed research that:

- Allows companies to set or create 2030 plastic packaging targets, using 2020 as their baseline to understand the environmental and economic impacts of their packaging;
- Acts as a repository for U.S. companies to see how their efforts in reducing plastic within their own portfolios stack up against industry peers, which encourages collaboration and creates healthy competition;
- Informs companies' actions through the creation of an action plan, enabling them to focus efforts with the greatest positive impact and track their progress year-over-year;
- Provides a robust database of solutions and actions, paired with a companyspecific dashboard populated with key economic and environmental indicators to inform plastic packaging strategies; and,
- Enables informed decision-making so companies can prioritize decisions to discover options for optimized recyclability, reduction, reuse, and redesign to catalyze systemwide change.

Why was Plastic IQ created?

The challenge of plastic waste is too big to ignore and too difficult to solve alone. Cross-company collaboration is needed to enact three critical aspects of system change:

- Setting common goals;
- Aligning around tactics for making change; and
- Agreeing upon metrics to inform decision-making.

Plastic IQ was created to enable companies in the U.S. to analyze and prioritize actions to improve their plastic packaging strategy. By applying a full range of solution-driven levers including reduction, reuse, substitution, re-design, material choice, and investment in system change initiatives, Plastic IQ allows companies of all sizes to visualize the interdependencies of the complex plastics system and inform how their packaging decisions add up to big impacts.

One of the key goals is for the tool to fill a gap in the industry's understanding of the economic, environmental, and social impacts associated with different packaging solutions.



How much does it cost to access the tool?

The tool is free and publicly available to all companies in the U.S. This will also allow for an industry-wide shift in how products are designed, produced, and recovered.

What are the benefits to my organization for using Plastic IQ?

Plastic IQ will enable your company to visualize, analyze and prioritize a full range of solutions to design or test your company's plastic strategy, including reduction, reuse, re-design, material choice and investment in the meaningful progress the planet needs. By taking the various materials and plastic packaging data your company has across its supply chain, Plastic IQ will give you information needed to achieve ambitious sustainability goals.

Who created Plastic IQ?

The Recycling Partnership and SYSTEMIQ collaborated to develop Plastic IQ with support from Walmart. Plastic IQ was informed by leading industry organizations from the beginning to ensure the initiative includes the latest information on packaging design, recyclability, data gathering and more. Advisors included brands, retailers, and nonprofit organizations.

Where has the insight from the tool come from?

Made possible by a grant from Walmart, Plastic IQ draws on the extensive insights and modelling experience from both <u>The Recycling Partnership's Pathway to Circularity</u> and <u>community recycling programs</u> and <u>SYSTEMIQ's Breaking the Plastic Wave</u>.

Who are the intended users of Plastic IQ?

Individualized action isn't enough to realize transformative change against the growing plastic waste challenge. Plastic IQ provides decision-makers at U.S. companies that make and sell plastic packaging with the data needed to discover and deploy solutions to maximize the positive impact of their plastic packaging strategy.

The primary group of intended users are sustainability leads, packaging and waste reduction specialists, CSR staff, and procurement professionals at U.S.-based retailers, consumer packaged goods companies, and packaging designers. Additionally, industry associations and nonprofit organizations may also find the tool useful to test scenarios or explore opportunities on behalf of members. The results produced by Plastic IQ help visualize opportunities to reduce packaging and environmental impacts and can be downloaded or shared with key decision-makers internally at organizations.

There are other tools and initiatives out there – how does Plastic IQ fit with them?

Coordination is key. Plastic IQ has been designed with interoperability in mind, making it compatible with other tools and initiatives to provide cohesive solutions, a common set of decision-making metrics, and industry-specific resources for packaging designers, company leaders, and product marketers. That is why Plastic IQ has worked to coordinate with the U.S. Plastics Pact, APR's Design Guides, Ellen MacArthur Foundation's Global Commitment, The Recycling Partnership's Pathway to Circularity, and Walmart's Recycling Playbook. Companies that produce, convert, or sell plastic



packaging should stay engaged. The key to system solutions will revolve around our ability to align around common goals, tactics, and metrics.

Plastic IQ is a forward-looking planning tool that enables users to evaluate their company's plastic supply chains and unlock the information needed to set and achieve ambitious sustainability targets by 2030 or sooner. While Plastic IQ does consider the fate of packaging, the powerful modeling behind the tool helps companies focus on prioritizing the solutions needed to manifest nationwide action and model how outside forces, such as policy change, may impact their efforts to reduce plastic waste.

CORE FEATURES AND USER JOURNEY

How do I get started using Plastic IQ?

Plastic IQ is a free tool- all you need to do is visit plasticiq.org and follow the instructions to access the tool. See the section in this document about Data Security and Access to learn about Pro Version versus Lite Version.

What information do companies need to engage with the tool?

You will either need data pertaining to your plastic portfolio OR "proxy data" if you do not yet have this information available. Specifically, the tool asks for the weight in metric tons, of different types of plastic packaging such as PET or HDPE bottles, or plastic bags and wraps, or multi-material flexible pouches. It also asks for your annual growth rate, which can be taken from your sales data or historical plastic usage data.

How resource intensive is Plastic IQ as far as inputting data/requirements, as well as ensuring it is updated?

Inputting the baseline data should take 30 mins to a few hours depending on how "clean" your data is. You'll only have to do this once a year. Then, you can spend much more time "optimizing" your strategy and modelling your action plan with your internal teams, such as by running workshops on strategy-setting with different segments and brands.

For inputting baseline data, most companies already have the data available, if you have filled out any packaging surveys internally, or for the Global Commitment or for Walmart's packaging survey. If you've never worked out how much plastic packaging you use, we recommend working with your sales team to estimate overall mass based on your most common plastic items.

What plastic packaging is considered in the tool?

The in-scope plastic packaging types include packaging around various products purchased by consumers:

• PET/HDPE bottles (including mass of HDPE or PP caps attached to container)



- Non-bottle PET/HDPE rigids and LDPE/PP rigids (including mass of HDPE or PP caps attached to container)
- Other polymer rigids (PS, EPS, PVC, PLA bottles, non-bottle rigids, cups, bowls, or plates)
- Small packaging formats (small plastics less than 2x2" in two dimensions, including utensils, coffee stirrers, straws, loose caps/lids not attached to container; non-PP/HDPE attached caps)
- PE mono-material film (over-wrap, shrink or stretch wrap, and plastic grocery bags)
- Non-PE film, pouches, other flexibles (mutli-material flexibles and films, or PP ouches and films)
- Mutli-material blend (tubes, blister packs, or windowed boxes)

What can I do/not do with the tool?

The tool is designed to help brands, retailers, and CPGs in the U.S. to:

- Develop personalized, data-based action plans specifically for their company's packaging goals;
- Apply a full range of solution-driven levers including reduction, reuse, material choice, redesign, and investment in system change initiatives to support the development of a plastic packaging strategy;
- Understand the implications of plastic packaging choices in a dynamic way, providing a new level of insight within this complex system;
- Visualize, analyze, prioritize, and commit to solutions that will have positive impacts on the environment;
- Submit existing, updated, or new targets to reduce plastic waste or allow public commitments to be shared on plasticiq.org (shown as "committed" or "submitted" but individual company %s will not be shown); and,
- Be recognized for setting impactful targets to address plastic waste.

The tool is <u>not</u> intended to:

• Be a full-scale measurement platform. This role is played instead by platforms such as WWF's ReSource Plastic.

Are there any plans for developing Plastic IQ to include plastics in products, i.e: garments, plastic hangers, or bulky rigids like 55-gal. drums?

For now, the focus is plastic packaging containing products that are purchased by consumers. We hope to expand it over time, potentially adding non-packaging plastics and even other materials.

How is the "company cost" being calculated for recycled content?

The tool assumes mechanically recycled content costs 15% more than virgin plastic resin, but users can change this assumption in the "Scenario Analysis Tool" section of the tool if desired, as it does vary in practice. Refer to Sections 2 and 6 of the <u>Methodology</u> <u>Document</u> and the <u>Mechanically Recycled Content</u> section of the Solutions Database for more specific details and case studies.

What are the inputs for EPR cost estimates?



The EPR fees per metric ton are based on average values applied in the Canadian market. How much of your plastics get charged EPR fees can be toggled in the Scenario Analysis Tool section. The assumed fees are laid out in Section 9 of the <u>Methodology Document</u>.

DATA SUBMISSION AND TARGET SETTING

Do I have to set targets?

We are offering the opportunity for companies to set ambitious plastics targets to 2030 as part of their Plastic IQ journey.

- These may be new targets or they might reflect existing commitments an organization has made that align with our overarching plastic-reduction vision.
- While users can opt for these targets to be kept internal, Plastic IQ will officially recognize organizations who opt to publish goals and celebrate the incredible scale of change we can achieve if we work together at a system level.

Will companies have a way to display or share their Plastic IQ score/tier?

Once pro users finish the tool and come to the results page, they have the option to "submit data to The Recycling Partnership only" or "submit data to The Recycling Partnership only and publish targets." The latter option will send the chosen goals to info@plasticia.org, where the company's name and submission (meeting specific thresholds to qualify for silver or gold status) will be shown on a leaderboard later in 2021.

DATA SECURITY & LEVELS OF ACCESS

If I use the tool, who will have access to my data?

Plastic IQ offers two versions: lite and pro. The Lite version does not store any data, but still allows full functionality of the modeling tool. The user will need to enter their data each time they use the tool.

Data security is extremely important to us. All data entered in the web browser is secured using TLS/SSL to ensure all communication is encrypted. Data stored in the database is encrypted at rest. The application uses state-of-the-art architecture and services to guard against attacks.

What is the difference between Plastic IQ Lite and Plastic IQ Pro?

The lite version enables users to upload or enter baseline data, walk through all steps of the modeling tool, create actionable strategies, and print a summary of the results. However, no baseline data, strategies, or results are saved in this version of the tool. Users will have to enter data each time they visit plasticiq.org and choose the lite version. Data used during a lite session is temporary and no user registration is required. Users must review and accept the terms and conditions before entering the start screen of the tool each time.

The pro version requires users to create a login and password. The pro version has all the functionality of the lite version, plus the ability to save the baseline data, evaluate and



compare multiple strategies, and even enter data and develop strategies for specific brands or business units within a company. A user can return to update data, create new strategies, or evaluate strategies under different future scenarios.

U.S. PLASTICS PACT-SPECIFIC

What is the relationship between Plastic IQ and the U.S. Plastics Pact?

This is not a required reporting tool for Pact Activators but is intended to help measure the impact of your existing targets and will level up to the Pact overall targets. Plastic IQ is interoperable with WWF's ReSource Footprint Tracker and will also allow seamless interaction between the data you input for WWF ReSource Footprint Tracker to be uploaded to Plastic IQ's baseline data upload.

The U.S. Plastics Pact has set the national strategy for action to reduce plastic waste, with over 90 Activators coming together in support of 4 aggressive targets by 2025. APR Design Guides are referenced throughout Plastic IQ to streamline technical guidance for plastic packaging. Plastic IQ sets the approach for U.S. companies that produce and sell plastic packaging to commit to and act on tangible plastic waste reduction strategies by 2025 or 2030. WWF ReSource Plastic & Footprint Tracker allows Pact Activators and other users to track their progress year-ove-year on their waste reduction journey.