



An Innovative Post-Consumer Recycling Program with Financial Upside.

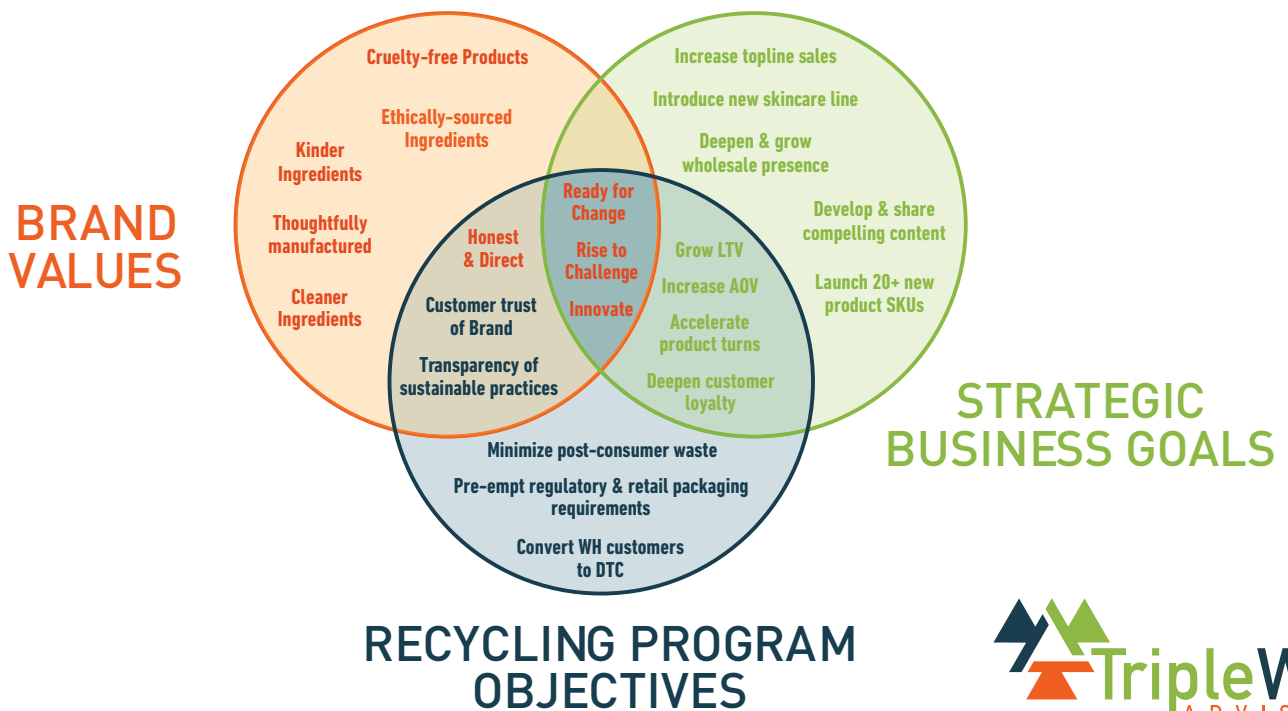
We recently worked with a private equity-backed trend-setting cosmetics company. The New York City-based fast-moving consumer beauty products brand develops, manufactures and sells design-forward cosmetic products to Millennials and Gen Z consumers. The brand places an emphasis on sourcing and incorporating ethical ingredients in its products; beautiful and playful packaging; and sustainable practices within its value chain. The company sells its products through three distribution channels including direct-to-consumer (DTC), company-branded stores and wholesale.



CONTEXT

TripleWin was hired to help the Brand think through the components of rolling out a **consumer-facing end-of-life recycling program** for its cosmetics componentry and to build a financial business case that would support the Brand's investment in the recycling program. The goal was to progress its existing commitment to sustainable practices.

Mapping Customers/Brand Intersection Points



PROJECT APPROACH

The development of a post-consumer recycling program business model and implementation plan took TripleWin’s project team two months to complete. The team engaged with their Client stakeholder, who internally coordinated the team’s data gathering requests from various groups within the Brand.

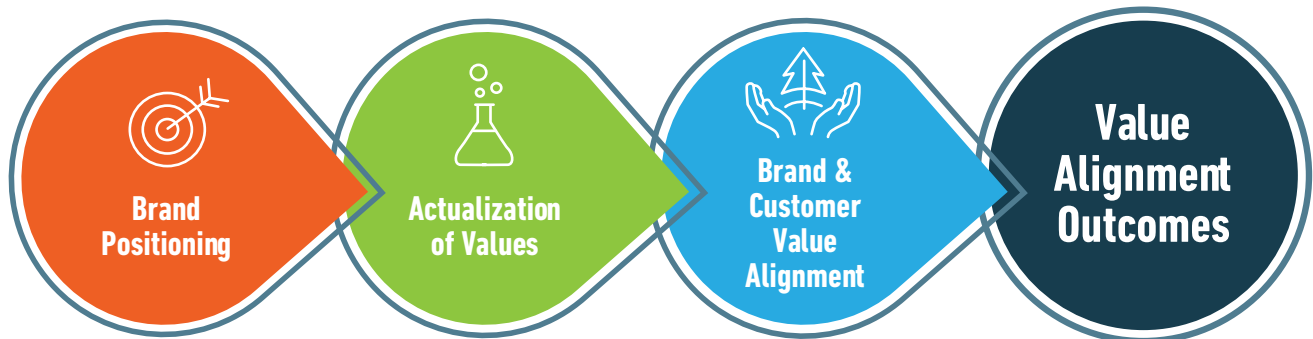
TripleWin used historical and projected sales, its knowledge of recycling behavior, and key financial drivers to model out the participation rate and behavior of the Brand’s customers in the recycling program. The team reviewed several roll-out options to minimize initial costs and to incorporate customer feedback with each new phase.

Externally, the TripleWin team assessed the consumer, competitive and broader beauty value chain space to identify

the explicit and desired needs of the Brand’s consumer stakeholders, existing and anticipated sustainability initiatives and innovations being pursued by category peers, and growing minimum sustainable packaging requirements of wholesalers on their suppliers.

In parallel, the team assessed the global market of post-consumer recycling partners, conducted a SWOT analysis on each and made a recommendation to the client for pursuing a strategic relationship with one recycling partner that offered unparalleled logistical recycling expertise across North America and an innovative consumer interface that makes recycling easy and painless paired with compelling call-to-action features that support top-line sales growth for the Brand.

Story of Shared Values



- Ethically-sourced
- Cruelty-free
- Sustainable practices

- No plastic glitter
- No animal testing
- Post-consumer recycling

- Brand-driven
- Purpose-driven
- Environmentally-concerned

- **Brand Trust**
- **Customer Loyalty to Brand**
- **LTV of Customer**

PROJECT LEARNINGS:

The post-consumer recycling project for the client offered manifold “ah-ha” moments for the Brand’s leadership including:

- Value chain partners are moving swiftly to place requirements on their vendors to consider, implement, measure and report their efforts to minimize packaging waste, especially of the plastic variety. The client recognizes that as a Brand it wants to get ahead of the sustainability curve to ensure its continued access to distribution channels and global markets.
- The recycling program would generate an ROI of over 50% by the end of the program’s second year of operation and recycle hundreds of pounds of post-consumer materials.
- The 3-year cumulative net revenue of the post-consumer recycling program was well into the six-figures.

CLIENT OUTCOMES

The Client's executive team found the financial analysis of expected program outcomes to be compelling. The sophisticated analyses that TripleWin performed provided the Brand's leadership several scenarios of how to approach rolling-out the consumer recycling program and strategically making the financial investments, and how to measure the programs performance, adoption, and ultimate success through mutually agreed upon KPIs and the creation of dashboards to track both actual and anticipated metrics of an implemented program. The Client is expected to roll-out a consumer-facing recycling program in the later half of 2021.

"Working with TripleWin Advisory has been great. We hired TripleWin to implement a consumer-facing end-of-life recycling program that would balance profitability while mitigating our environmental impact.

Renee Shade, TripleWin's Carbon Accounting Practice Lead and Kate Gaertner, TripleWin Founder and CEO, were so patient and supportive in helping our business learn the in's and out's of becoming a more sustainable company. Prior

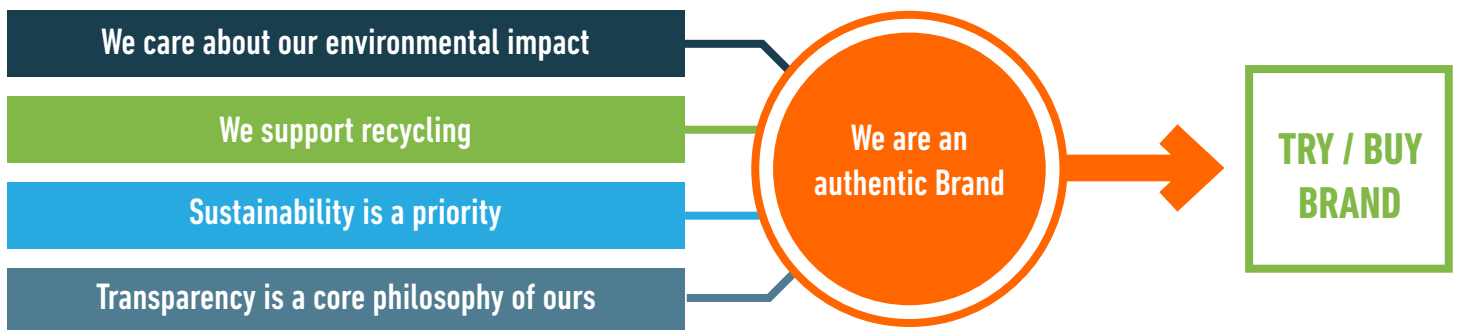


to working with them, we thought we had a solid understanding of what it means to be sustainable. The more we spoke, however, the more we realized how complex and meaningful sustainability could be.

Any company that is seeking to optimize its sustainable business models would benefit from TripleWin's well-formulated strategies and incisive expertise."

— Staci Hendrickson, Brand General Manager

Brand Messaging Points



EXPERTS

TripleWin Advisory is a corporate sustainability consultancy focused on the implementation of business circularity. We build long-term competitive advantage and innovative business models for climate ready organizations. TripleWin possesses expertise performing material assessments of corporate supply chains, crafting supplier engagement frameworks, and developing material circularity measures that positively impact the bottom line of organizations and enhance customer experiences with Brands. We quantify the benefits realized from sustainability for our clients and help build a roadmap for fluid implementation and measurable results.



A Sustainability Consultancy
Driving Business Circularity