



Labrador Transparency

Communicating Changes in Sustainability Goals and Targets: Trends and Recommendations

February 2026

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Introduction

U.S. companies have set sustainability-related goals and targets with frequency since the 1980s. Sometimes company-driven, sometimes stakeholder-driven, they have primarily shared them, along with progress toward achievement, in voluntary reports. Today, many U.S. companies are reevaluating their sustainability goals and targets. This piece explores evolving trends in communicating changes to sustainability goals and targets, especially those related to climate.

Why are Companies Changing Sustainability Goals and Targets?

Several external factors have converged in 2025 and early 2026 to push a growing number of U.S. companies to reevaluate their sustainability goals and targets.

- **2025 and 2030 deadlines:** Many companies are reviewing progress on their goals and targets following the 10th anniversary of the Paris Climate Agreement and the 30th UN Climate Change Conference and as we approach the 2030 goal year of the United Nations Sustainable Development Goals (UN SDGs).
- **Political pressures:** At the same time, along with a tightening economic landscape, U.S. companies are facing political pressures to scale back sustainability initiatives.
- **Regulations:** The California climate mandates (SB 261 and SB 253), the European Union's Corporate Sustainability Reporting Directive (CSRD) and new jurisdictional requirements built off the International Sustainability Standards Board (ISSB) Standards require more transparency around sustainability initiatives.

To instill stakeholder trust, we suggest that companies changing their sustainability goals or targets increase transparency around the what, how and why of their new approaches.

Goals versus targets

While goals are broad and aspirational statements, often qualitative in nature, targets are quantitative and measurable benchmarks with baseline and deadline years. Our recommendations on transparency around why goals or targets are being changed, replaced or eliminated are the same for both.

Achievement of Existing and Setting New Goals or Targets

Some companies use progress bars, callout boxes and other design elements to discuss the achievement of a sustainability goal or target. In addition, they often provide context on how they intend to make further progress post achievement, especially if the achieved goal or target was part of meeting a broader long-term commitment like net-zero greenhouse gas (GHG) emissions or zero waste.

For example, [Target](#) met two of its 2025 goals early: sourcing 60% of the electricity for company operations from renewable sources and reducing operational food waste by 50% across stores, supply chain facilities and headquarters from a 2017 baseline year as part of their plan to achieve zero waste to landfill in their U.S. operations by 2030.

Introduction Climate **Circularity** Resource Use Supporting Our Team Members Serving and Strengthening Communities Operating Ethically Responsible Supply Chain

Product and Packaging Design **Waste Elimination and Reduction**

Waste Elimination and Reduction

Key highlights continued

Our new Upper Merion, Maryland returns center is unlocking opportunities behind returns and salvaged items by redirecting overstock, clearance, guest returns and damaged merchandise for recycling, return to vendor and business-to-business and direct-to-consumer resale channels. This will help reduce how much damaged product ends up in landfills and could reveal new ways to reuse materials through new product circularity³¹ initiatives.

To deliver on guests' desire for more sustainable products, we are laying the foundation for our own closed-loop textile system. We are collaborating with industry and supply chain partners to build our own capabilities around textile-to-textile recycling and using these fibers in our owned brands. In 2023, we followed this blueprint to re-spin factory scrap from a 2022 Cat & Jack program into new yarn for Wild Fable. This kept the scrap out of the landfill while keeping costs neutral.

70% of our owned brand footwear suppliers by volume engaged in our zero manufacturing waste to landfill³¹ program

Target is working to have 50% of owned brand apparel, footwear, home and hardware suppliers by spend achieve zero manufacturing waste to landfill (ZMWL)³¹ by 2025. Our ZMWL program assists our Tier 1 suppliers in understanding the importance of setting goals to reduce waste going to landfill and improving waste management practices. This initiative also supports suppliers in identifying opportunities to reuse, recycle and reclaim waste materials for energy production. In 2023, 70% of our owned brand footwear suppliers by volume engaged in our ZMWL program, with participating suppliers actively working to decrease manufacturing waste destined for landfills.

We remain committed to fostering a zero-waste culture by delivering essential training, resources and tools on zero waste³¹ management to all suppliers as we expand the ZMWL program to encompass the rest of our owned brand apparel, home and hardware suppliers. In early 2024, we launched a novel zero waste³¹ certification process in partnership with Underwriters Laboratory for five owned brand electronic suppliers utilizing efficient waste management procedures and significant waste value. Through this endeavor, we aim to generate valuable insights that can be applied throughout the entire supply chain and across our industry.



³¹ Recycling and non-burning. Target does not include, including selling them to other waste handlers, reuse and diversion as determined by local laws. The calculation of all metrics by means of responsible production, transportation, reuse and recycling of products, packaging and materials without sorting and with no charges to load, make or off that makes the recipient a business, as established by the Zero Waste International Alliance. This threshold is a consistent "Zero Waste" in reality of a minimum of 80% diversion rate.

Introduction Climate **Circularity** Resource Use Supporting Our Team Members Serving and Strengthening Communities Operating Ethically Responsible Supply Chain

Greenhouse Gas Emissions **Climate-Related Risks and Opportunities**

Cutting Emissions in Our Operations

Our strategy. Our focus on cutting our greenhouse gas (GHG) emissions within our operations (scopes 1 and 2), which account for approximately 3% of our total emissions footprint, centers on reducing energy consumption in our stores and supply chain facilities, and expanding our sourcing of renewable energy. We have already made tremendous progress – our focus on efficiency has allowed us to decrease operational emissions against our baseline and surpass our renewable energy milestone goal two years early. As we pursue our 100% renewable electricity goal, we will continue to engage with stakeholders through work with policymakers, utility companies and trade groups to increase access to renewables.

See our [website](#) for more information.

Key highlights

We updated our target for absolute reduction in operations emissions (scope 1 and 2) from a 2017 base year from 50% to 55% to reflect greater overall ambition and ensure continued alignment with science-based reduction targets. Our updated goals are aligned to the Science Based Targets initiative's Corporate Net-Zero Standard and to keeping warming below 1.5°C. We are currently seeking approval of our updated targets.

Multi-stakeholder collaboration is key to our climate action, which is why we joined the U.S. Department of Energy's (DOE) Better Climate Challenge, a partnership to reduce operational emissions by at least 50% within 10 years. By joining, we are seeking to accelerate energy efficiency and other clean energy investments across industries, learn about best practices and solutions, and help pave the way for others to do the same.

As part of this work, we supported the development of the DOE's Better Buildings Commercial Building Heat Pump Accelerator, which aims to bring more efficient and affordable heat pump rooftop units to market, reducing associated GHG emissions and energy costs by up to 50%.

Additionally, we were previously signatories of the Business Action for 1.5°C campaign, which SBTi revised in March 2024. Read the [final campaign impact report](#).

Our store in Yuba, California is our first store designed to be net-zero energy³², meaning it is successfully producing more than 100% of the site's energy needs. The store incorporates both rooftop and parking lot canopy solar panels, with more than 3,400 solar panels now fully operational. We're also investing in other forms of renewable energy through our purchasing agreements. For example, in Texas, we've partnered with Swift Current Energy to buy power from its Castle Gap Wind project.

Progress by the numbers

2017	2023	Market-based scope 1 and 2 GHG emissions	2023	Renewable electricity consumption
2,217,880 (MTCO ₂ e)	1,393,527 (MTCO ₂ e)	38% reduction from our 2017 baseline.	66%	Produced 66% of our electricity from renewable sources.
280 (MTCO ₂ e)	1,112,546 (MTCO ₂ e)		60%	
200 (MTCO ₂ e)			52%	

- We procured **66% of our electricity from renewable sources**³³, a **6% increase** since meeting our interim milestone to procure 60% of our electricity from renewable sources in 2022.
- We continued to enhance the energy efficiency of our stores by adopting new technologies and operating procedures. In 2023, we deployed interior and exterior LED retrofit, completing our sales floor and backroom LED lighting programs, and upskilled **1,290 rooftop units**. The combined impact of these programs to-date is an estimated annual savings of **more than 170M kWh**.
- **ENERGY STAR** recognized Target as a Partner of the Year in 2024, our **sixth straight year** receiving this accolade.
- Target achieved our goal to have **100+ stores** fully operational with natural CO₂ refrigerant by the end of 2023. This includes both retrofit and new stores. We continue to work toward our goal to convert all stores to natural HFC-free refrigerants by 2040.

Signature Goal

- ▶ By 2040, Target commits to net zero greenhouse gas emissions³⁴ across our enterprise (scopes 1, 2 and 3).

Milestone Goal

- ▶ By 2030, Target commits to achieve 55% absolute reduction in operations emissions (scope 1 and 2) from a 2017 base year.
- ▶ By 2025, Target commits to source 60% of our electricity from renewable sources for our operations.
- ▶ By 2030, Target commits to source 100% of our electricity from renewable sources for our operations.

✔ Goal met, maintain
▶ On track
▶ Acceleration needed

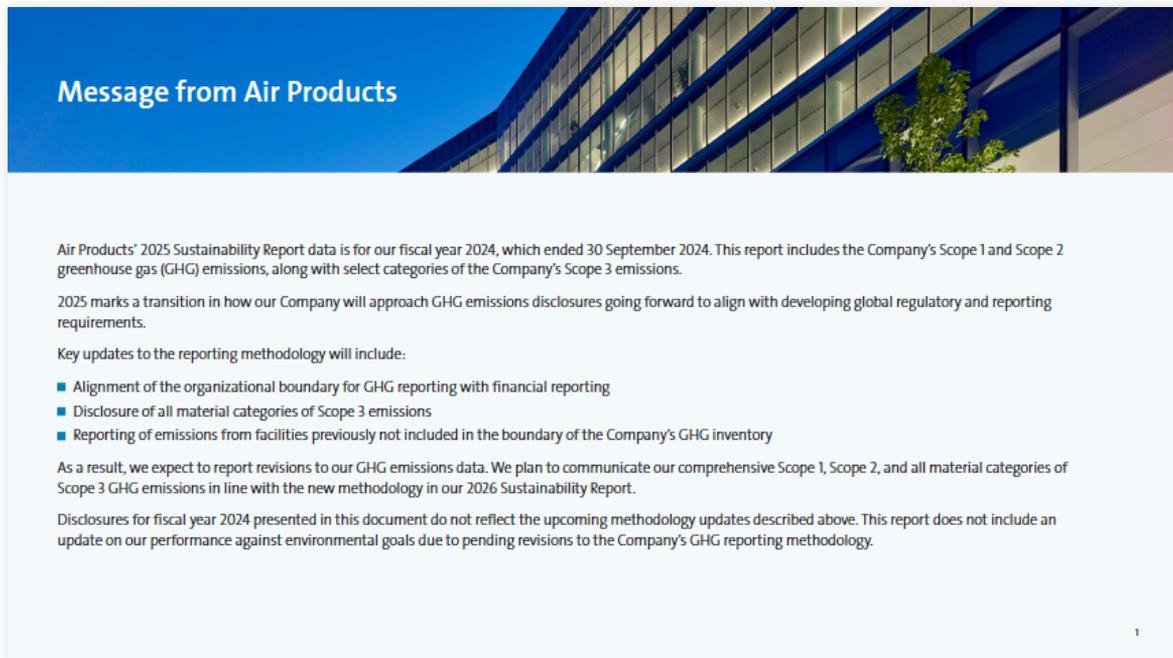
View our [Target Forward Progress Report](#) to learn more ▶

³² Net-zero energy is a building that produces as much energy as it consumes. This is achieved through a combination of on-site renewable energy production and energy efficiency measures. The calculation of net-zero energy is based on the net-zero energy standard set by the U.S. Green Building Council (USGBC).
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New Circumstances and Eliminating Goals or Targets

More companies are becoming transparent about the challenges they face in meeting their sustainability goals or targets, including how they are adapting.

For example, in the introduction to [Air Products’ 2025 Sustainability Report](#), the company expressly states that the report does not include an update on its environmental goal performance because the company is transitioning to a new GHG emissions reporting approach to align with developing global regulatory and reporting requirements. As a result, they explained, their 2026 report will include a new emissions reporting boundary aligned with the company’s financial reporting, disclosure of all the company’s material Scope 3 emissions and reporting on emissions from facilities previously not included in their prior emissions inventory boundary—all improvements in their climate reporting.



[Air Products](#) transparently explains in its 2025 Sustainability Report how the company is improving its climate disclosures going forward

Similarly, Lululemon discusses in its [Impact Report 2024](#) how it has met, updated or is eliminating (and in some cases replacing) its sustainability goals and why.

Impact Agenda 2030

In 2025, we launched Impact Agenda 2030—a renewed vision, strategy, and set of goals to guide our impact work through 2030.

Since the creation of our original Impact Agenda, we have gained deeper insights into what drives lasting impact, how we can apply our learnings, and where we must overcome the biggest barriers to progress.

Impact Agenda 2030 is composed of two pillars—People and Planet—united by a single, overarching vision: We move together to drive resilience and innovation for people and the planet. With this vision, we aim to support business resilience and adaptability, while maintaining our focus on accountability and collaboration.

Our new Impact Agenda 2030 includes six impact areas that reflect our strategic focus on topics that matter to our company and our industry. Our strategy includes nine new, existing, and updated goals with 2030 target dates. These goals were developed to drive progress and maintain momentum across our impact areas. Impact Agenda 2030 is supported by multi-year roadmaps that provide a clear, adaptable pathway.

This work considers input from industry associations, employees, NGOs, and academic communities, among others. It is also informed by our recent materiality assessment refresh, which included research, stakeholder engagement, and topic refinement and prioritization. Through this process, we further defined how topics relate to Lululemon's business model, activities, and value chain. See more in our [GRI Table](#).

Our Impact Agenda is embedded into our company strategy and operations. Making progress on our impact work requires

dedicated leadership and clear, cross-functional accountability. Impact Agenda 2030 is underpinned by strong governance, beginning with approval of goals and roadmaps from the CEO and Board of Directors. See more on the [Impact Governance](#) page of our website.

Impact Agenda 2030

VISION: We move together to drive resilience and innovation for people and the planet.

In our 2025 Impact Report (to be published in 2026), we plan to report on baselines for our new 2030 goals, where applicable.

PEOPLE			PLANET		
Employee Wellbeing	Supply Chain Wellbeing	Community Wellbeing	Climate Action	Circular Innovation	Nature
Impact Area Descriptions			Impact Area Descriptions		
Elevating employee wellbeing through a culture of high performance and high care			Minimizing emissions from product creation, transportation, and our operations	Developing circular product solutions for our business and guests	Decentering our focus on nature, including land and water
2030 Goals			2030 Goals		
Maintain global gender pay equity and full pay equity in the United States**	Provide 200,000 participants with programs across supplier communities to advance gender equity, financial resilience, and worker engagement**	Provide 20 million participants with experiences to advance wellbeing including mental health, movement and mindfulness**	Maintain 60% absolute reduction in GHG emissions in our own operations (Scope 1 and 2) from a 2018 baseline**	Make 80% of products that contain at least 20% preferred materials by weight**	We continue to develop our approach and work in this area.
Achieve top quartile performance in employee inclusion and wellbeing**			Achieve 60% intensity reduction in GHG emissions in purchased goods and services, and upstream transportation and distribution (Scope 3) from a 2018 baseline**	Offer guests in 80% of global markets opportunities to extend product use, including repair or resale**	

** "Pay equity" refers to equal pay for equal work. Full pay equity includes gender and race. We have achieved gender pay equity globally and full pay equity in the United States and have continued to maintain it based on our periodic analysis. Our analysis is point-in-time and may vary as workforce composition and roles evolve.
 ** This goal will be measured based on the number of participants who receive services from grantee of [Lululemon Gives](#) (formerly the Lululemon Centre for Social Impact) or those who actively participate in grantee programming. Participant numbers will be self-reported by grant recipients. Participants may be counted more than once if they take part in multiple initiatives over the years. Participants refers to workers in our suppliers' facilities, the communities where they live, and broader communities connected to the apparel industry. Programs will be funded by Lululemon Gives and may include through non-profits such as industry program grants and research funding as well as vendor grants and participation in industry initiatives.
 ** This goal will be measured based on the number of participants who receive services from partners of Lululemon Gives or those who actively participate in partners programming. Participant numbers will be self-reported by partners. Participants may be counted more than once if they take part in multiple initiatives over the years. Opportunities may refer to programs, services, or resources from Lululemon or third parties focused on wellbeing.
 ** The Science Based Targets initiative (SBTi) has validated our near-term science-based Scope 1 and 2 emissions reduction target. Our operations refers to facilities where Lululemon has direct operational control, including company-operated stores, distribution centers, and offices. We initially achieved the goal in 2023 and have maintained since. This goal is measured on a calendar-year basis.
 ** This excludes Scope 3, which are external to the supply chain of our brand partners. By weight refers to the weight of materials in our products.
 ** This goal will be measured using employee survey results. Top quartile performance will be measured via the results of a third-party retail industry benchmark.
 ** The SBTi has validated our near-term science-based Scope 3 emissions intensity reduction target. This goal is measured on a calendar-year basis.
 ** This does not include clothing, pop-ups, sport stores, franchise markets, or markets with fewer than 10 stores, unless otherwise noted. As of 2024, resale is offered only in the United States.

BE PLANET
LULULEMON IMPACT REPORT 2024

Water and Chemistry

Our Approach

Textile, apparel, and footwear industries use large quantities of freshwater for production processes such as farming, fabric dyeing, and garment washing. Chemicals used in manufacturing can leach into water sources, and can potentially contaminate drinking water and affect biodiversity and human health.

To address this, it is important to practice due diligence and implement programs to manage water, chemicals use, and wastewater treatment, and to make proactive design innovations in fabric treatments.

At Lululemon, we support our suppliers in improving water quality and efficiency. We also have a chemicals management program focused on improving chemical use throughout the supply chain.

Goal

WATER⁷⁹
Goal: Reduce freshwater use intensity with our priority wet process suppliers. (Retired; see subsequent narrative)

- 20% reduction of freshwater use intensity by 2025 from a 2021 baseline

In 2024, the freshwater use intensity of Lululemon priority wet process suppliers was reduced 7 percent from our 2021 baseline. More than a third of these supplier facilities reduced their freshwater use intensity by at least 20 percent.

While we have made progress and will continue our work to improve water management with suppliers, we will not reach this goal by 2025. As referenced in the 2023 Impact Report, it has been challenging to advance this goal as the metric includes water use across supplier facilities that have multiple customers (i.e., the facilities make both Lululemon and non-Lululemon products). The goal also relies on facility-level reductions, where our influence is limited, especially since our production represents only a small amount of their production output.

Moving forward, we will phase out this goal and will no longer report on this specific metric. See [What's Next](#) for more information on how we will continue working with supplier facilities on water reduction and efficiency initiatives.

What We're Doing

WATER MANAGEMENT

We request that our priority wet process suppliers set water reduction targets as they work to improve water efficiency and reduce the amount of freshwater used in their manufacturing processes. As of 2024, 97 percent of these suppliers have established targets. We work with these suppliers to review water data virtually or through an on-site verification process, including a review and evaluation of completed or pending actions for freshwater reductions in their facilities. We conducted on-site verification of 2024 data at 24 of 30 priority wet process supplier facilities. Examples of their improvements include:

- Increased recycled water content: The amount of recycled water content across priority wet process supplier facilities was 37 percent (up from 30 percent in 2023).
- Installation of effluent treatment systems: 12 priority wet process supplier facilities installed reverse osmosis systems for effluent treatment, which also helped increase recycled water content.
- Enhanced water management practices: Examples include increased detection and remediation of leaksages and expanded capacity for wastewater treatment.

In 2024 and 2025, we worked with [WWF](#) an international conservation organization, to assess water and biodiversity risks in regions where our Tier 1 and Tier 2 supplier facilities are located. The assessment used the WWF's [Water Risk Filter](#) and [Biodiversity Risk Filter](#), along with local data sets, to help identify risks (e.g., water usage or quality) in key manufacturing regions. We plan to use the findings, alongside our sourcing strategy and existing resources, to inform a water-focused approach and programs.

MICROFIBERS

"Microfibers" refer to fiber fragments broken from a textile structure during production, use, or end-of-use, as well as through their subsequent breakage in the natural environment.⁸⁰ In conjunction with the industry, we are working to better understand the main drivers of microfiber release. We continue to engage with industry associations, including [The Microfibre Consortium](#) (TMC) and [ZDHC Education](#)⁸¹ to advance our understanding of the root causes of microfiber release and potential measures to mitigate release to the environment, helping us stay aligned with evolving science and best practices.

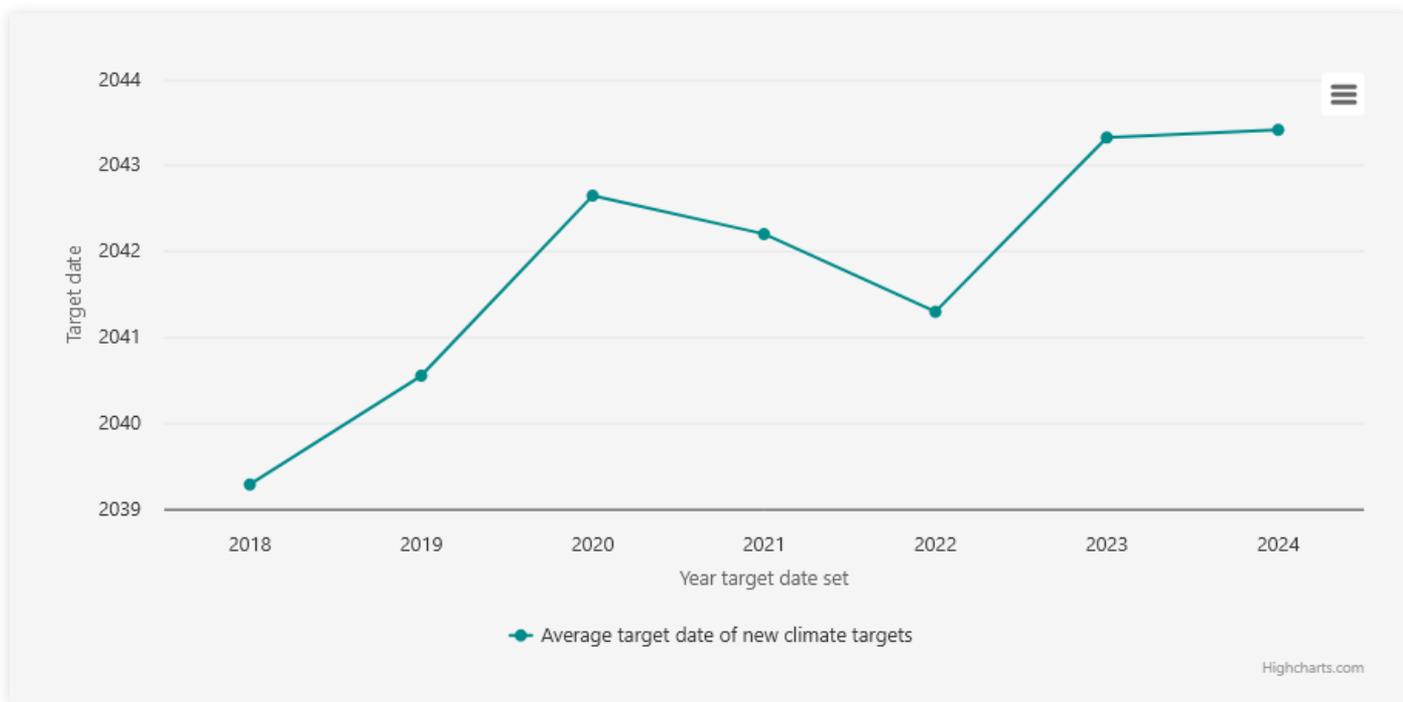
% reduction of freshwater use intensity

Year	2021	2022	2023	2024
Baseline	100%			
Intensity (kg)		-5%	-2%	7%
Target (2025)				-20%

⁷⁹ Water data is reported on a calendar-year basis. A large portion of our water data is provided by suppliers through a third-party system based on the calendar year. Therefore, water data does not currently align with Lululemon fiscal year dates.
⁸⁰ According to [The Microfibre Consortium](#), a non-profit organization that aims to reduce microfiber use and release to the environment.
⁸¹ ZDHC is a multi-stakeholder organization for the fashion industry, aimed at eliminating harmful chemicals from the global supply chain through Roadmap to Zero, its implementation program.

For each of its sustainability topics in its Impact Agenda 2030 report, [Lululemon](#) discusses its overall approach, progress against goals, what they are doing to meet their goals and what's next as they maintain, update or eliminate goals.

A growing number of companies are scaling back or eliminating their GHG emissions reduction targets, including pushing back timelines for achieving net zero by 5 to 10 years or eliminating their targets altogether. A chart published by [Generation Investment LLP](#)¹ shows a trend of delaying net-zero target dates set post 2022, making them less ambitious or, as many companies explain, more realistic.



[Generation Investment LLP's](#) calculations using Net Zero Tracker for the world's largest 2000 companies

Similar adjustments to target dates are evident around targets related to circularity and zero waste. Companies like [Coca-Cola](#), Walmart, Nestlé, PepsiCo, Mars, and others have shifted from targets focused on reducing the use of virgin plastic derived from non-renewable sources and increasing use of refillable and returnable packaging by 2025 or 2030 to commitments focused on the collection of recyclables and the use of recycled materials. Several of these companies have explained that, while they have made progress, there are “inherent systemic challenges” that have made it difficult for them to meet their initial ambitions.²

¹ Generation Investment LLP. (May 14, 2025). [“Are Companies Backsliding on Sustainability?”](#)

² Darley, James. (May 23, 2025). [“Why Walmart, Nestle, Mars & More Have Left US Plastics Pact.”](#) *Sustainability Magazine*.

Why is scaling back happening?

Some companies may have set their goals or targets in response to external stakeholder pressures before aligning internal resources to determine their feasibility. In addition, local, state, national and foreign regulations, incentives, tax credits and other governmental “carrots and sticks”—along with advancements in affordable and scalable technology—in many cases haven’t kept pace with initial company ambitions. The political and economic instability of the last five years—from supply chain disruptions to rising material costs to political scrutiny of environmental, social and governance (ESG) commitments and programs, including industry coalitions around climate—has made setting realistic plans to meet goals and targets that much harder.³

As companies deal with the realization that in some cases progress is misaligned with expected time horizons, they are faced with the challenge of communicating this reality to their investors and other stakeholders. While greenhushing (purposely not disclosing sustainability-related information) may be growing as a temporary solution, we recommend directly addressing challenges, roadblocks, and ongoing learnings. Transparency can demonstrate resilience, instill stakeholder trust and lead to long-term value creation. Greenhushing also can result in legal liability.

The Special Case of DEI

A growing number of U.S. companies have also scaled back or eliminated other sustainability-related goals around diversity, equity and inclusion (DEI). See Labrador’s comprehensive thought piece on this topic [here](#).

³ Hawkins, Neil. and Cooper, Kelly. (September 23, 2025). “[Are Companies Actually Scaling Back Their Climate Commitments?](#)” *Harvard Business Review*.

Best Practices to Consider

Be transparent about what has changed and why

Using a materiality lens, we suggest thoughtfully thinking through not only the disclosures around changed sustainability goals and targets but also their timing and location—from voluntary or regulatory reports to websites and social media. Consider discussing the original goal or target, the reasons for specific changes, and any related impacts on the business or its other sustainability goals or targets. Keep in mind how changes in goals, especially their elimination without replacement, may be perceived by investors and other stakeholders. Companies may also want to think through the timing and messaging of communicating changes in sustainability goals and targets and the timing of earnings calls, investor days or regulatory filings.

Other details to consider disclosing:

- How lessons learned are applied to new sustainability initiatives where the company can have the most cost-effective impact.
- How updated or new goals or targets better align with overall business strategy, industry best practices, regulatory requirements, stakeholder input, or the latest available technologies.
- What data recalculations, methodological improvements, baseline year updates, and other changes were necessary to align with the changed target.

For example, in its [FY2025 ESG Report](#) Walmart describes in detail the challenges it faces in meeting its packaging goals and commitments.

Strategy	Example Progress Indicators	Example Actions	Example Challenges
Eliminate packaging that is not required by law or otherwise necessary for safe handling, labeling, transportation, or storage	<ul style="list-style-type: none"> We have reduced our overall plastic packaging intensity (weight of plastic per net sales dollar) for the past two years Since 2020, Walmart has reduced the total annual weight of single-use plastic bags 21% across North America,⁴⁶ our Mexico and Canada stores are primarily single-use plastic bag free As of May 2023, more than 400 U.S. stores have transitioned away from single-use plastic bags 	<ul style="list-style-type: none"> Made reusable bags readily available and inexpensive to make it easier for customers to opt out of single-use bags Co-founded Repacked the Bag Implemented technology to right-size eCommerce packaging Eliminated plastic packaging for certain private brand items, for example furniture, power tools, lighting products 	<ul style="list-style-type: none"> Packaging is often necessary or useful for safe handling, food safety, proper labeling, transportation, or storage In some cases, packaging is required by law or regulations Significant transition away from single-use plastic bags will require changes in customer demand, enabling public policy, and/or materials innovation
Design for recycling: use packaging materials that are more recyclable	<ul style="list-style-type: none"> 82.6% of global Walmart private brand plastic packaging is designed for recycling (2024) 66.1% of global Walmart private brand packaging is considered recyclable, reusable, or industrially compostable (2024) 	<ul style="list-style-type: none"> Private brand garment accessories: Replaced plastic blister packaging with paper-based packaging to realize cost savings, increase customer convenience and reduce use of virgin plastic Private brand home heaters and dehumidifiers: Replaced internal foam packaging with more recyclable HEMP and paper-based packaging Private brand lighting: Replaced plastic blister packs with recyclable paperboard eCommerce mailers: Transitioning from plastic to recyclable paper bags 	<ul style="list-style-type: none"> Limitations in recycling infrastructure prevent some materials from being considered "recyclable" and/or from being recycled Materials innovation required to develop recyclable or compostable packaging for some use cases (e.g., multi-layered films, food contact applications) Even with access to recycling, consumers do not always choose to recycle their packaging
Increase use of PCR content in products and packaging	<ul style="list-style-type: none"> In 2024, an estimated 76% of global private brand packaging composed of PCR content 	<ul style="list-style-type: none"> Member's Mark fresh squeezed orange juice bottles: 100% PCR⁴⁷ (launched February 2025) Private brand multipack water bottles average 20.7% PCR⁴⁸ 	<ul style="list-style-type: none"> Limited availability of high-quality PCR and volatility of PCR pricing inhibit adoption Laws and regulations restricting the use of PCR in certain product packaging (e.g., pharmaceuticals)

Walmart shares examples of its progress indicators, actions and challenges to help explain how the company is addressing obstacles it faces in meeting its packaging-related sustainability goals.

Consider charts and infographics to explain complex changes

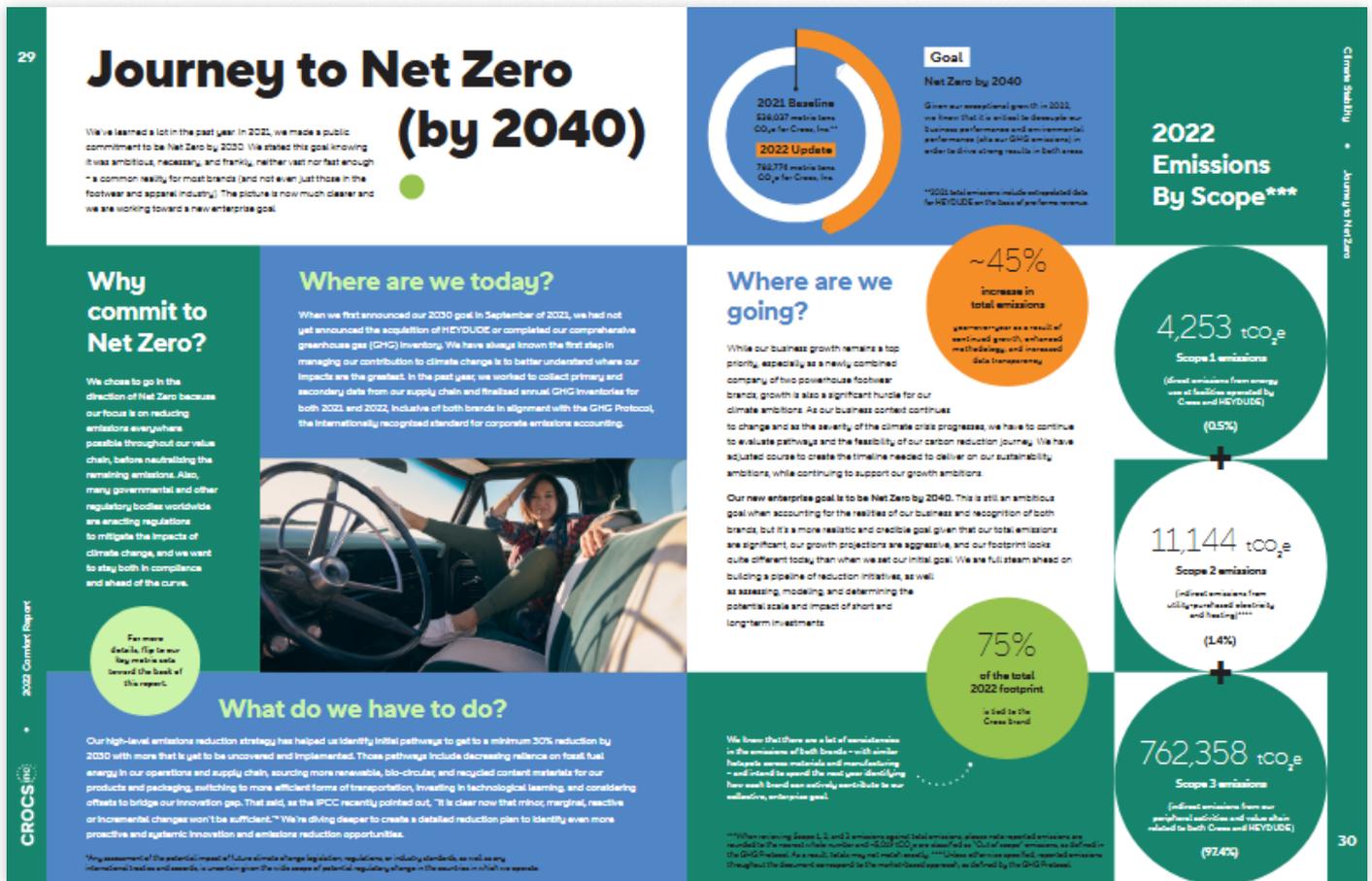
Sometimes an infographic or chart is the most succinct way to explain changing goals or targets as opposed to pages of narrative. We recommend developing clear disclosures that are consistent with the company's core values and use as little jargon as needed to align with topic or industry best practices.

One example is PepsiCo's [Positive Goal Evolution](#) Graphic, which showcases how its suite of targets are evolving as they work towards net-zero GHG emissions by 2050 or sooner. This net-zero infographic is accompanied by similar infographics explaining the company's other sustainability goals in regenerative agriculture, water, packaging, sustainable sourcing and more. Also included are links to the company's climate transition plan and other documents for more detailed information.



Similarly, in its [2022 Sustainability Report](#) Crocs dedicated a page to why it changed its net-zero target deadline from 2030 to 2040, explaining:

“We’ve learned a lot in the past year. In 2021, we made a public commitment to be Net Zero by 2030. We stated this goal knowing it was ambitious, necessary, and frankly, neither vast nor fast enough—a common reality for most brands (and not even just those in the footwear and apparel industry)... We have adjusted course to create the timeline needed to deliver on our sustainability ambitions, while continuing to support our growth ambitions. Our new enterprise goal is to be Net Zero by 2040. This is still an ambitious goal when accounting for the realities of our business and recognition of both brands, but it’s a more realistic and credible goal given that our total emissions are significant, our growth projections are aggressive, and our footprint looks quite different today than when we set our initial goal.”



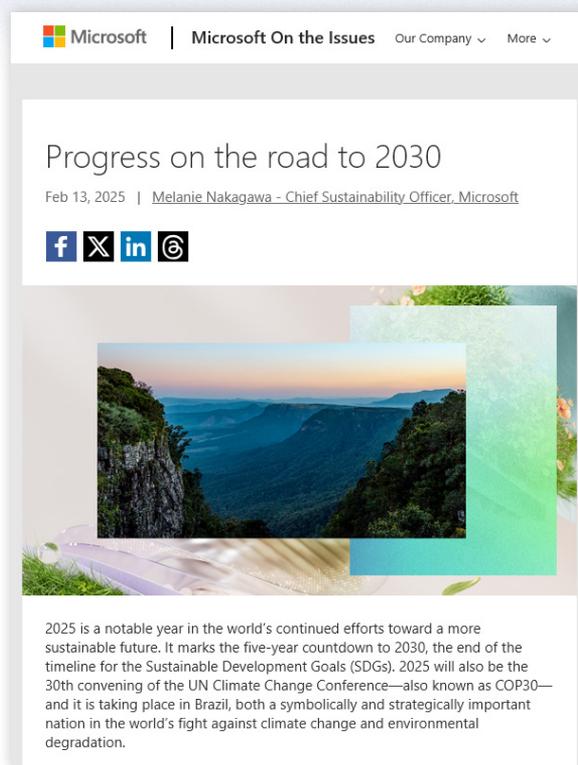
Croc’s Journey to Net Zero (by 2040) infographic shows how the company is “full steam ahead on building a pipeline of reduction initiatives, as well as assessing, modeling, and determining the potential scale and impact of short and long-term investments.”

Double down on communicating progress

Changing goals or targets brings increased responsibility to clearly communicate how progress going forward will be measured, monitored, and communicated. Communicating how lessons learned have been translated into action can signal accountability, especially if such communication comes from a company leader.

For example, Microsoft Chief Sustainability Officer (CSO) Melanie Nakagawa posted a [progress note](#) on the company’s website explaining the challenges the company faces in meeting its climate commitments set in 2020:

“The world is not on track to meet critical climate goals and we see many of these challenges reflected in our own journey. In 2020, Microsoft leaders referred to our sustainability goals as a “moonshot,” and nearly five years later, we have had to acknowledge that the moon has gotten further away. However, the force creating this distance from our goals in the short term is the same one that will help us build a bigger, faster, and more powerful rocket to reach them in the long term: artificial intelligence (AI). This is not hyperbole. Already, we are seeing AI make a positive impact on the planet, and in the coming years, this technology will begin to rapidly accelerate climate solutions at a scale we’ve not yet seen... [We] need to run our sustainability initiatives like we run the rest of our business: ensuring that our focus is on the highest-impact interventions that truly move the needle when it comes to planetary impact.”



Microsoft Chief Sustainability Officer (CSO) Melanie Nakagawa’s 2025 climate [progress note](#) included a link to its 2023 [AI and Sustainability Playbook](#), which Nakagawa explains will guide the company in “unlocking AI’s full transformative potential for accelerating sustainability progress.”

Consider third-party review

To demonstrate that changed environmental goals and targets align with leading international practices (including climate science), consider obtaining third-party certification by working with groups like [SBTi \(Science-based Targets Initiative\)](#), [SBTN \(Science-based Targets Network\)](#), the International Organization for Standardization (ISO)'s [Net Zero Standard](#), or others. Outside certification can provide external, third-party review that new goals and targets still put the company on a credible path.

Special considerations for regulatory disclosures

It is important to communicate consistently, not only in annual sustainability reports but also in related disclosures on websites, in surveys and questionnaires like CDP, and elsewhere about any changes made to sustainability goals and targets. Consistency will be increasingly important as more sustainability disclosures move from voluntary reports and questionnaires to required disclosures like those under California's SB 261 and SB 253 or the CSRD.

The increase in regulatory disclosures has led to a related shift in corporate management and oversight of sustainability. More centralized in-house teams that oversee sustainability reporting controls, audit trails and external assurance—similar to those for financial reporting—contribute to improving consistency, efficiency and risk management. Such rigor should help companies improve their sustainability reporting going forward, including around changing sustainability goals and targets. We also suggest working with internal and external legal departments to refresh forward looking, cautionary, safe harbor and other disclaimer language in reports and on websites.

Looking Ahead

Consistent, evidence-based disclosures that align with a company's core values and directly tie to business strategy are more important than ever in today's politically and economically uncertain landscape. Investors, customers, employees and other stakeholders still expect companies to meet their stated sustainability commitments and communicate regular progress. Between the risky extremes of "greenwashing" and "greenhushing" lie transparent disclosures that accurately tell a company's sustainability story while mitigating unnecessary risk and scrutiny. As companies continue to evolve their sustainability goals and targets, finding this strategic balance is a best practice from which all companies can learn and improve.

⁴ Wrobel, Miriam and Spryshak, Jackie. (November 12, 2025.) ["How Companies Are Reframing Climate Communication in 2025."](#) *Harvard Law School Forum on Corporate Governance*.



Labrador Transparency

About Labrador Transparency

Labrador Transparency exists to offer the science of transparency to corporations wishing to communicate effectively with their readers.

Our experienced and passionate team is composed of attorneys, designers, project managers, thinkers, and web developers. We collaborate together around a process that encompasses drafting, editing, designing, and publishing across all digital and print channels.

We are thrilled that communications prepared by Labrador Transparency have contributed to trustful relationships between our clients and their readers, whether investors, employees, or other stakeholders.

In turn, our commitment to our clients has resulted in meaningful long-term relationships with some of the most respected public and private companies in the world.

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