



Sustainability at Macy's, Inc.

At Macy's, Inc. we believe that contributing to a more sustainable environment is good business practice and the right thing to do for future generations. As a leading national retailer with a significant workforce, we have the opportunity to make a meaningful difference in improving the environment. And we will do so by using resources more efficiently, providing "eco-friendly" products that meet customer expectations and striving to reduce our overall impact on the environment. We must, however, operate within the bounds of good business decision-making so that each action we take is measurable, sustainable and enduring.

A 5-Point Action Plan

Macy's, Inc.'s commitment to sustainability is multidimensional.

1. We will be aggressive in our drive to eliminate wasteful behavior. In some cases, this requires consistent application of very simple principles, such as reminding our associates to turn off lights when rooms are not in use, to print fewer hard copies of e-mails, to recycle waste, to optimize facility performance and to use mass transit for commuting to work. In other cases, we will be pursuing systematic improvements to the way we do business, such as better targeting customer mailing lists and shifting marketing to electronic media so we are printing and sending fewer hard copy advertisements.
2. We will reduce our use of scarce resources in a meaningful way. Macy's, Inc. will pursue ongoing programs to consume less electricity and water, reduce our waste stream, and source more of our power from renewable resources such as solar energy. We will use fewer paper-related products, recycle more and seek to use paper made with post-consumer waste. We will work to migrate more of our output from paper to electronic/digital, including large-scale projects such as monthly customer billing statements. By doing so, we will reduce the company's greenhouse gas footprint, energy consumption and costs.
3. Where we have the option, we will pursue the most environmentally friendly solution. Whenever possible and sensible within the context of our business requirements, Macy's, Inc. will be as aggressive as possible in changing for the better to preserve endangered forests, wildlife, water quality and eco-systems. We will explore ways to make our shopping bags, gift boxes, wrapping tissue, merchandise hangers and other staples of retailing from recycled and/or certified paper sources, with a preference for Forest Stewardship Council (FSC) certification. The building materials used in our stores will be environmentally certified whenever reasonably possible.
4. We will take a 360-degree approach to sustainability, involving everyone around us. Macy's, Inc. will advocate sustainability and renewability with our vendor partners, associates and customers. This will include developing supplier sustainability standards and promoting eco-friendly products to our customers. We will encourage our associates and ask them to support our initiatives with their ideas, energy, personal actions and volunteer time. We will support efforts in our communities and our nation to clean up the environment and reduce consumption of scarce resources.
5. We will measure what we do and strive toward quantifiable goals. Specifically, Macy's, Inc., will seek to:
 - Reduce our total use of energy by another 10 percent to 15 percent by 2010, recognizing that we have already reduced our energy consumption by about 9 percent over the past five years.
 - Increase our use of renewable power sources (solar, wind, etc.) eight-fold by 2010 (from 2006 levels).
 - Reduce the amount of paper we use by at least 20 percent by 2010 (from 2006 levels).
 - Increase the percentage of recycled (10 percent PCW or higher) and/or third-party certified paper we use by 20-fold by 2010 (from 2006 levels) to at least 50 percent.