SUSTAINABLE TIMES



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SUSTAINABILITY HOT TOPICS

The sustainable conference season is certainly active! I had the opportunity to attend both the Plastic Recycling Summit and SPC Advance conferences providing the opportunity to reconnect, network, meet customers and other sustainability professionals as well as get a pulse of hot topics in the industry. Attendees at these conferences included various roles including sustainability professionals representing local governments, NGOs, converters, brands, material suppliers, innovators, consultants, and related businesses.

The themes of the conferences differed slightly in content, but there were some common elements including product sustainability, regulations and legislation including recycling, promoting greater cooperation between industry groups, and the newest topic of emission reduction programs.

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PRODUCT SUSTAINABILITY

As one would expect, the topic of product sustainability continued to maintain a heightened focus. Recall, the ambitious goals by many of the leading consumer brands for redesign of packaging to more sustainable formats including redesign for recycling or compost, inclusion of recycled content or renewable content, or source reduction. The target year for many

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for accomplishing these goals is just around the corner as we approach the target year of 2025. Presentations on this theme spanned a variety of topics including the proper use of design guides such as those established by the Association of Plastic Recyclers (APR) for plastic films; paperization which covers the redesign of packaging for recyclability in the curbside paper stream; the growth and status of advanced recycling; packaging claims; as well as the implications for equipment necessary to fabricate these new sustainable materials. Overwhelmingly, there was a consensus that majority of the industry would likely miss their 2025 goals and have to delay them until a later date which seems to hover around 2030. However, there continues to be renewed focus in this area with newer technologies and solutions continuing to evolve.

LEGISLATION, REGULATIONS, AND RECYCLING

Within a few short years, there has been increasing momentum by a variety of states to implement new policy and legislation for packaging. Five US states have now enacted some form of extended producer responsibility (EPR) and the list of additional states considering such policies continues to grow. EPR policies between the states differ to some degree but essentially all programs will require the producers (brands or

manufacturers of the product) to pay fees to organizations called PROs (Producer Responsibility Organizations) which will redistribute the fees to pay for collection, enhancements in recycling, and education. Brands must register with the

PROs in each state and report annually on the quantity and type of product(s) sold into each state. Fees are assessed based upon the material composition and quantities sold into the respective states. Collecting the information is becoming an increasing burden and brands are looking to their packaging partners to support the reporting needs. There will be increasing pressure in this area from the producers as well as their supply chain to support the information needs.

On pack labeling and impending changes to the How2Recycle labeling program were also highlighted. The change is a result of increasing focus on ensuring we eliminate confusion for the consumers and conform to newer legislation such as the California laws which are putting strict limitations on the use of the chasing arrows on packaging. Consumers often are confused with this symbology as they often imply that something is recyclable when in fact the industry knows that these figures were only meant to aid recyclers in determining the material composition of the article and do not necessarily denote recyclability. In response, the How2Recycle group has conducted expansive research into alternative imagery. These new logos are being reviewed by the Federal Trade Commission and California to ensure they are sufficient for broad use and implementation.



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Staying on the recycling theme, there was a larger discussion on how to better inform the customer as to what can be recycled and where recycling can occur. Self-help, look up directories previously available on the internet that had previously allowed users to seek recycling locations based upon zip codes have lost their value as they are not verified and updated, ultimately losing the trust of the consumer. To offer trust and value, these databases must be checked, and 3rd party verified to provide the latest and greatest information. The Plastics Industry Association will soon be releasing a refreshed directory that will include updated locations, the products they can recycle, as well as product imagery to help the consumer properly identify what can and can't be recycled.

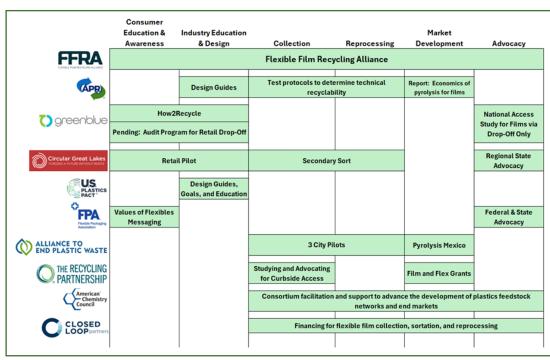
COLLABORATING AND DRIVING PROGRESS IN THE INDUSTRY

We have all observed the challenges of achieving the ambitious sustainable goals many

of us have established. The lack of policy, infrastructure, technology, and end markets make it difficult to make progress as there are no "prescribed paths" that a company must conform to. In the absence of these

"prescribed paths", we tend to utilize a lot of resources ensuring that we have a sufficiently broad product portfolio to service the numerous sustainable targets that our customers may focus upon. However, we often see that customers pivot from one strategy to the next or do all the testing necessary for product launch, but never pull the trigger for commercial implementation.

This lack of focus and direction is concerning. Fortunately, а number of sustainable organizations have been formed with the intent of developing new pathways. The focus of each of these organizations differs as there are significant industry and information gaps that need to be addressed including Consumer Education & Awareness, Industry Education & Design, Collection, Reprocessing, Market Development. and Advocacy. Each of these organizations is making some progress but unfortunately, none of these groups has sufficient bandwidth to deal wholistically with the challenges encountered.



SUSTAINABILITY HOT TOPICS CONT.

This gap has been recognized and it is the consensus that more collaboration between the groups is critical. The presenter shared the chart on page 3 showing several of the sustainable organizations and how they are working to solve the challenges. It was great to see that APC's support and participation in the APR (Association of Plastic Recyclers), GreenBlue, FPA (Flexible Packaging Association), and Circular Great Lakes is making a significant impact on several of the focus areas that need to be developed!

EMISSIONS REDUCTION PROGRAMS

We have all observed the challenges of Climate change is one of the newest topics. Increasing temperatures and extreme weather patterns are increasingly experienced around the globe. This phenomenon is triggered by the release of large amounts of greenhouse gases into the atmosphere trapping heat and causing the Earth's temperature to rise. Scientists have studied this phenomenon and suggested that the only way of mitigating this issue is through limiting the increase in temperature to 1.5° C above preindustrial levels. This issue is getting greater attention around the globe and as a result, the Paris Treaty was adopted in 2021. This treaty had been ratified by over 195 countries, offering the first global policy focused on tackling this issue.

The topic of climate science is likely new to many of us but not all. In the news we often see companies committing to establishing goals for near-term and net-zero emissions in line with the Science Based Targets Initiative (SBTi). SBTi develops the tools, standards, and guidance to help companies and financial institutions set targets that align with the latest climate science and goals of the Paris Agreement. I am interested,

but how do I learn more about this important topic?

A sustainability leader from McCormick spoke at the conference about their companies challenge for reducing greenhouse gas emissions. indicated that the majority of the companies' emissions were tied to the products and services provided by their supplier base and McCormick needs their supplier base to begin working on emissions reductions programs. McCormick is not alone in this space and is working along other major brand owners to educate their suppliers on climate science. McCormick and others support the LOCT (leadership on climate transition) program [link] which helps educate companies and guide them toward emissions reduction activities. APC was sponsored by General Mills for the LOCT program and has greatly benefited from participation in this program. As a result, APC has recently submitted our Science-Based nearterm targets for review by the SBTi organization which is a significant accomplishment!



SUMMARY

The conference topics were timely, and it was great to see that the industry realizes the need for greater collaboration. It is imperative that the sustainability discussion broadens beyond

a product focused topic and begin to include conversation around our carbon footprint reduction goals and accomplishments.

OUR MISSION

Sustainable Times is a quarterly newsletter compiled by American Packaging Corporation that is designed to educate, provide industry highlights and keep you informed of sustainable solutions being developed by APC. If you have any questions, please feel free to contact your sales representative or Jeff Travis at itravis@americanpackaging.com.

