



The search for sustainable packaging.

How consumers and brand owners think and feel about packaging.





Consumer demand is the key driver

The way consumers think and feel about packaging, in all its dimensions, is changing radically. The packaging industry is faced with a recyclability challenge that we cannot ignore – and packaging has to drive the solution, not be part of the problem.

Inks and coatings may only be a small part of the print and packaging chain, but that shouldn't stop us from dreaming big. Over the years we have been trendsetters in developing ink resins for the print and packaging industry and are continuously setting new trends in printing techniques, all with an eye closely on being more recyclable.

It's an exciting future, and a journey we would like to share with you.

The current drive for recyclability isn't just about legislation. Consumers are demanding change and brands are responding to this.

What's driving this

- Consumer demand and pressure
- The increased use of packaging through growth in online shopping
- Brands taking a more ethical stance
- Sustainability targets and corporate citizenship goals

Source: Packaging Sustainability Trends: The Greener Future of Packaging by Smithers

The world is clearly moving in one direction

Research shows that most consumers care about the environment. Current media attention of extreme weather situations and environmental movements increases awareness.

The consumer attitude impacts purchasing behavior



73%

of consumers say they would definitely change their consumption habits to reduce their environmental impact.

Source: The Nielsen Company, 2018

66%

of consumers would switch from a product they typically buy to a new product from a purpose-driven company.

Source: Cone/Porter Novelli, 2018

90%

(Nearly)

of people say they are willing to change their behavior to help fight climate change.

Source: IKEA, Climate action research report, 2018

2/3

Nearly two-thirds of consumers around the world will buy or boycott a brand solely because of its position on a social or political issue.

Source: Edelman, 2018

1/3

Report shows a third of consumers prefer sustainable brands.

Source: Unilever, 2017



The threat is real – packaging is a major influence

What consumers want and believe

60%

are actively looking for products with less or no packaging

64%

of consumers want packaging that is easy to recycle

91%

of young adults have become more conscious of their impact on the environment

75%

of EU consumers say the environmental impact of a product's packaging affects their decision making process

The changes they have already made

48%

of 18-34 year-olds have started swapping regular food brands based on the packaging

52%

of shoppers switched brands over environmental concerns directly related to packaging

52%

of respondents said they were already purchasing more products in environmentally-friendly packaging compared to 12 months previously

52%

choose goods packaged in materials that they know can be recycled

What they're prepared to do

91%

of EU consumers would choose a supermarket retailer that adopted greener packaging and policies

77%

said they would pay more for a product if it came in more sustainable packaging, with one in five willing to pay 10% or more extra.

Brand owners are taking action right now

The New Plastic Economy Global Commitment (NPEGC) brings together over 450 businesses and other organizations who all share a passion for addressing plastic waste and pollution at its source.



By 2025, they all agree to take action to:

- Eliminate problematic or unnecessary plastic packaging
- Move from single-use to re-use models where relevant
- Make 100% of plastic packaging reusable, recyclable or compostable

These are some of the brands that have signed up for the NPEGC...



PHILANTHROPIC PARTNER



Sustainability as a business opportunity

Growing consumer demand for sustainable products and packaging is translating into market growth and success for brands which are committed to delivering this.

50%

market growth from sustainable products (from 2013-2018)

Source: NYU Stern & IRI®, 2019; study about consumer packaged goods in the US

5.6x

faster growth than conventionally-marketed products

Source: NYU Stern & IRI®, 2019; study about consumer packaged goods in the US

4%

In 2015, brands who showed a commitment to sustainability witnessed sales growth of more than 4% globally. Brands who did not have any sustainability commitments grew by less than 1% worldwide.

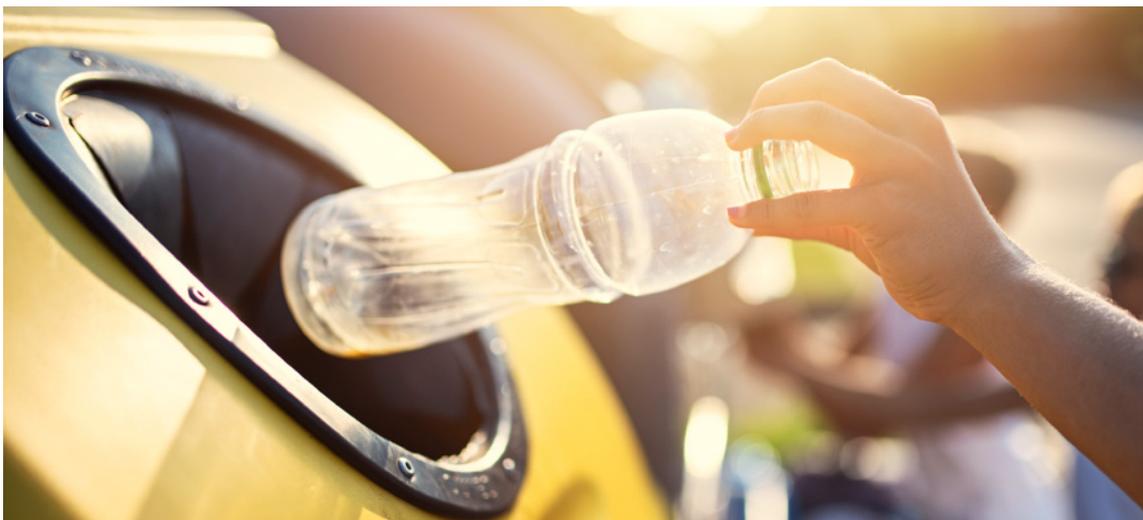
Source: Inc magazine, 2018

How we'll help brand owners to fulfil their sustainability pledges

The print and packaging industry is constantly seeking materials which offer a lower level of VOCs and carbon emissions as these will help brand owners to fulfil their sustainability pledges.

Did you know?

- In 2019, 74% of all glass containers in the EU were recycled.
- Metal cans and tins are easy to recycle. Today, 79% of steel packaging and 73% of aluminium cans in Europe are recycled.
- The reason much rigid plastics goes to landfill is purely due to the cost of cleaning and recycling.
- Corrugated paper in all its forms is very easy to recycle.
- The highest grade recycled rigid plastic comes through a closed loop recovery system, which ensures high quality and increased value of the recycle.





Inks are often hiding a lot of oil

When it comes to sustainability, inks, coating and adhesives are often forgotten, despite their crucial role in packaging.

Worryingly, as inks contain crude oil, their manufacture is contributing to global warming.

In Europe alone, some 1 million tonnes of ink and coatings, costing €3 bn, are consumed by printers every year. This equates to 2 kg of ink for every man, woman and child in Europe, which is enough to print 35 daily newspapers or 24,000 chocolate bar wrappers. That's a lot of ink!

Source: <https://www.eupia.org/>

We're here to make coatings and adhesives part of the solution

Covestro is a key player in the bio-based movement, providing resins for the creation of bio-based primers, adhesive, inks and overprint varnishes.

Our expertise in this market has allowed us to create a family of plant-based resins for the print and packaging industry that perform well and have a low impact on our beautiful planet.

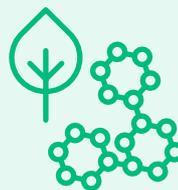
For packaging creators and brands, sustainable inks, coating and adhesives can be the last important step to a greener product.



Plant-based materials such as tree bark and castor beans.



Converting plant-based materials into a variety of renewable building blocks



Leading to a platform of high-performance plant-based polymers



Decovery® resins

Decovery® resins deliver...

<p>Performance</p>  <p>Equal or better performance compared to fossil-based resins</p>	<p>Health</p>  <p>Using safer ingredients and containing very low VOCs</p>	<p>Sustainability</p>  <p>Based on sustainability sourced plant-based materials, reducing the carbon footprint</p> <p>Up to 52% verifiable bio-based content up to 34% CO₂ reduction</p>
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Decovery® products are ecological because they are sustainably sourced with care. Ingredients are selected to avoid competing with the food supply chain, deforestation and other important issues related to biomass.

They are made from up to 52% plant, and can reduce the carbon footprint of coatings by up to 34% compared to fossil-based alternatives.

Did you know that **Decovery®** resins not only help to reduce the carbon footprint of your coatings, but also lead to greater circularity? Even with fully circular solutions there is a systemic loss, so new material needs to be included in the loop.

Renewable materials instead of fossil-based materials can help us preserve our planet.

Using just 10 kg of Decovery® can have the same positive impact as planting 16 tree seedlings and letting them grow for the next 10 years.

Join us on our journey to ensure zero impact of coatings and inks on the planet and people.





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¹Please see the "Guidance on Use of Covestro Products in a Medical Application" document.
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