

Plastics and packaging

Plastics and packaging

People and companies all over the world are coming together to address the challenge of plastic and other types of packaging waste. This is an increasingly important issue for the planet, and something we are committed to tackling.

OUR PERFORMANCE IN 2019

Aim Progress 3%

post-consumer recycled content (PCR) in our plastic packaging by 2025

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Aim	Progess
100%	54%

of plastic packaging reusable or recyclable by 2025

Meeting the plastic challenge

If all global businesses met their current commitments, this would only reduce plastics and packaging waste by 30%. So we must all do more – by changing our packaging, finding new ways of bringing our products to consumers, designing to enable recycling. We recognise that we cannot do this on our own and we can only achieve the change we need by working with others.

Our 2018 pledges reflect our commitment to tackling the problem of plastics and packaging. While those pledges are still relatively new, the agenda is moving fast. Our first priority is to reduce our use of plastic, or indeed any material, in our packaging as much as possible. In doing so we bear in mind the overall life cycle impacts of packaging we use. We then work to make it recyclable and include recycled content where we can. We are also committed to contributing to the circular economy by supporting the development of better recycling infrastructure and encouraging consumers to recycle more.

We have some improvements in the pipeline, and we're determined to find more innovative solutions. Sometimes these initiatives will take time to work through our research and development process – for example we have to make sure that anything we do for packaging does not compromise public health requirements. Nonetheless our development programme is moving at pace as we identify new opportunities to address plastics used in our packaging. To help our approach, we work with our partners and strategic suppliers to identify new opportunities. These might be in terms of different materials and better designs that are more recyclable or to find new longer-term supplies of materials such as recycled plastic, all to develop more sustainable solutions. RB does not currently have a significant amount of compostable packaging in our portfolio and we are exploring ways to incorporate this.

Target	2019
100% of plastic packaging to be reusable or recyclable by 2025	54%
25% post-consumer recycled content (PCR) in our plastic packaging by 2025	3%
RB's Total Plastic Footprint	
Total weight (tonnes) of all plastic packaging*	195,000 Metric Tonnes

* Total plastic packaging weight excludes devices/ gadgets/ aerosol valves/ adhesives/ fill formula (like wipe substrate), aligned with Ellen MacArthur Foundation (EMF) definition.

OUR PRODUCT INSIGHT PAPERS

We want consumers to trust our brands; to feel confident that our products are safe and cause no harm to the ecosystems or the people that they touch during their life cycle. Sustainable product innovation is ultimately about the overall integrity of our products, which combines several aspects of responsible business. The overall topic is covered by several insights to make the subjects more accessible.

They are:

- Product stewardship ingredients and transparency: the processes we follow to consistently use safe, environmentally friendly ingredients and our work on ingredients labelling to help our consumers make informed decisions when buying our products.
- <u>Protecting ecosystems across our value chain</u>: the steps we take to safeguard our planet for future generations.
- Plastics and packaging (this insight): how we seek to use less material, reduce virgin material, and use recycled and recyclable components in our packaging.
- Sustainable product innovation insight: how we develop our products to make them more sustainable for the future.



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Product quality and safety

We are clearly still some way off our targets, but we do have a number of innovations in the pipeline that are yet to reach our consumers. Nonetheless, we do face challenges in some parts of the world in getting adequate recycled materials of the right quality. But we are working to increase the amount of recycled plastic we can use as quickly as possible and to help us fulfill our pledge – 25% recycled post-consumer resin (PCR) in our plastic packaging by 2025.

As we work to increase the amount of recycled plastic in our packaging, there are a number of areas that are important:

- We are working with resin suppliers to acquire sufficient recycled plastic to support our regional and global goals. Where recycling infrastructure does not exist, we are working with others to develop an infrastructure and encouraging consumers to recycle through it which will eventually create a better recycled plastic supply for the future. Through our R&D 'Partners to Innovate' programme, which includes Dow and Veolia and other key resin and packaging material suppliers, we have strong, global supply chain partners with whom we can develop solutions.
- In the US, all Hygiene bottles have an average of 25% recycled plastic content and in some instances, like our Old English bottle, we use 100% PET PCR plastic (100% polyethylene terephthalate from post-consumer recycled resin). Also in the US, we launched Veo Surface Cleaner using 95% post-consumer recycled plastic while our Airwick Botanica room spray uses 99% of PET PCR in the bottle and 35% in the trigger spray.
- In Europe, we increased our Airwick blisters from 50% to 70% PET PCR while our Finish tubs incorporate 30% PP (polypropylene) PCR. We recently launched Rinse Aid bottles in Germany with 50% of HDPE (high-density polyethylene) PCR.
- Since the beginning of this year, our dilutable fragrance bottles in Colombia have been produced with 50% PET PCR, while in Mexico we have begun to use 25% PET PCR for some products.

100% of plastic packaging reusable or recyclable by 2025

The design of packaging, as well as the materials we use, helps it to be more readily recycled.

- This year, we created a plan to phase out carbon black plastic by 2021. Bottles made from carbon black plastic are sent to waste because they can't be detected by optical sorting machines in recycling plants. We have now phased this out from our Harpic and Finish brands.
- We implemented our innovative metal-free spray trigger which only uses one type of plastic and no metal springs or other components which were previously commonplace. For the trigger to have been recycled in the past, it would need to dismantled into its component parts – a time-consuming and costly process – and so largely didn't happen. The new design means the trigger and bottle can now be readily recycled, reducing unrecycled plastic waste by 500 tons per year.
- We launched Veo Surface Cleaner in the US with a removable sleeve to enable simpler recycling of the bottle so it can be reprocessed into higher-quality recycled plastic.
- In Germany we launched a recyclable flexible pouch for Finish the first of its kind in the dishwash category. This addressed the issue of laminated films not being readily recycled and was recognised as a game changer, winning the UK Packaging Award for Best Flexible Packaging of The Year as well as DOW's 'Packaging Innovation Awards – GOLD'. We are now looking at how we can use this in other categories and regions.

Highlights from the year

- We assessed our global plastics and packaging footprint and continue to monitor emerging regulation across all our markets. We also took an in-depth look at recycling infrastructure in 11 key markets to help us plan for the future and also understand where we can use our influence to strengthen recycling.
- We embedded new tools and knowledge across the organisation, especially in product development. For example, we are continuing to evolve our sustainable innovation calculator (SIC) app to help us make good choices about product design, including meeting our targets for plastics – see our <u>Sustainable product innovation insight</u>.

- We announced a new partnership with Veolia to contribute to the creation of a circular economy for plastic, and we continue to be members of Ellen MacArthur Foundation's (EMF) New Plastics Economy. We are also part of the UK Plastics Pact and are working with the Association of Plastic Recyclers in the US.
- We have continued to strengthen our labelling to inform consumers how to recycle our packaging, using nationally recognised approaches where practical. For example, we use How2Recycle in the US, the On-Pack Recycling Label approach in the UK and the APCO Packaging Recycling Label Program in Australia.

Looking ahead – our focus for 2020 and beyond

We aim to reduce the plastic we use while also increasing the percentage of recycled plastic content. We will stay focused on improving packaging design to support recyclability and continue working with the recycling sector and the manufacturers of recycled plastic to improve the supply of the right quality materials.

We will also continue to encourage recycling, through our brand communications with consumers and on specific initiatives where these can stimulate more recycling in a particular market. We will broaden our current activity to trial different ways of reaching consumers with our products, using reusable packaging – and will work with others, for example Terracycle's Loop programme, as well as developing our own solutions.



At the same time, we are designing more packaging that can be reused by consumers. This extends the work done by brands such as Dettol and Lysol and helps to reach larger numbers of consumers.

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How we manage plastics and packaging

As part of our commitment to more sustainable packaging, we apply four Rs: reduce, reuse, recycle and replace.

- **Reduce** plastic use where possible. We're especially focused on removing virgin plastics in packaging and using less plastic overall. This helps to minimise the amount of waste that could potentially end up in the environment, especially so given the limited recycling infrastructure in some parts of the world.
- **Reuse** by designing products and packaging that can be reused. For example, introducing refillable and reusable trigger spray bottles for our Dettol and Lysol brands.
- Recycle by designing our products to use recyclable materials and be readily recycled. This year, we introduced new guidelines to help make sure our marketing and R&D teams design for recyclability. For example, we are now beginning our global journey in using best-in-class labelling to explain to consumers how to dispose of our packaging at the end of our products' life.
- Replace materials with ones that can be more readily recycled and have a lower environmental footprint. We look at the life cycle of a product, including the energy and water used in production, when deciding whether to bring in replacement materials. This year, we consolidated data across our global businesses to simplify this process.

Working with others

We will never solve the global plastics challenge alone. The only way we can make a difference is by working closely with others involved in the issue – governments, not-for-profits and industry associations, as well as our retailers, suppliers, consumers and peers. Our partners include:

- The Ellen MacArthur Foundation's New Plastic Economy which is a cross-sectoral group developing common solutions to drive circularity with plastics (see case study).
- We work with DOW, a materials science company, to develop recyclable solutions to replace previously non-recyclable multilayer polyethylene/PET laminates alongside ways to improve the quality of recycled polyethylene.

- Terracycle, an innovative recycling company:
 - In the US, we have partnered with Terracycle to create a national programme (Healthy You, Healthy Planet) which cleans and melts our packaging, such as vitamin bottles and caps, into hard plastic that can be used in new recycled products.
 - Our vitamin and mineral brands Airborne, MegaRed, Move Free and Neuriva can be collected and refilled as part of Terracycle's Loop milkman programme in the US.
 - In the UK, Terracycle runs a programme for flexible packaging which is currently not readily recyclable which includes the brands Finish, Vanish, Airwick and Dettol. This allows the plastic to be reused, perhaps made into moulded rigid products like plastic benches or used as film for bags.

Innovating for sustainability

Our SIC app helps us choose and design more sustainable packaging every time we launch and relaunch a product. Our innovation pipeline includes different ways to deliver our products to our consumers. For example, Lysol will launch a refill product in the US in February 2020 which can be reused up to 25 times and reduces plastic by 75% compared to a 32oz multi-purpose cleaner. It has the same effectiveness (99%) against germs and can be reloaded with a new cartridge, filled with water and easily reused.

Communicating with consumers

One of the biggest challenges around plastics and packaging is helping consumers understand recycling and reuse and encouraging them to do more. To this end, we work with On Pack Recycling Label (OPRL) in the UK, How2Recycle in the US and APCO Packaging Recycling Label Program in Australia to communicate better and more consistently on our labels.



• Our work with Veolia to accelerate a more circular plastics economy has led to our first project – the development of new grey packaging for Finish Quantum with 30% recycled plastic. A team of experts from RB and Veolia in Europe are also working to improve recycling collection systems to help consumers sort their recycling at home.



*Not recycled in all communities

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CASE STUDY

PARTNERING WITH THE ELLEN MACARTHUR FOUNDATION

We're one of 450 organisations taking part in the Ellen MacArthur Foundation's New Plastics Economy (NPE) Global Commitment to meet targets on plastics and packaging waste. This initiative unites businesses, governments and other organisations behind a common vision and an ambitious set of targets to address plastic waste and pollution at its source. At the heart of the Global Commitment is a vision of a circular economy for plastic in which it never becomes waste. The organisations working with the Foundation together account for more than 20% of all plastic packaging produced globally. By working together, the Global Commitments report has helped to increase transparency around the different plastics used in packaging which strengthens progress towards use of more recycled plastic. At national levels, the NPE has supported the development of plastic pacts in more countries which champion the reduction and recycling of plastics.





Over 450 organisations from different industries have signed the EMF's global commitment on plastic.

Listening to our stakeholders

Reporting effectively across our many sustainability issues and providing regular updates on our programmes and activities is always a work in progress. So we appreciate your feedback – what should we keep doing, and where can we do better?

Email us at sustainability@rb.com.

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