

## Material Usage

#### What is material usage?

Material usage refers to the amount of material required to produce the packaging of a product. In the past decade, the concept of an 'unboxing experience' has led to an increase of often unnecessary materials produced. In a world with finite resources, less material used is generally better.

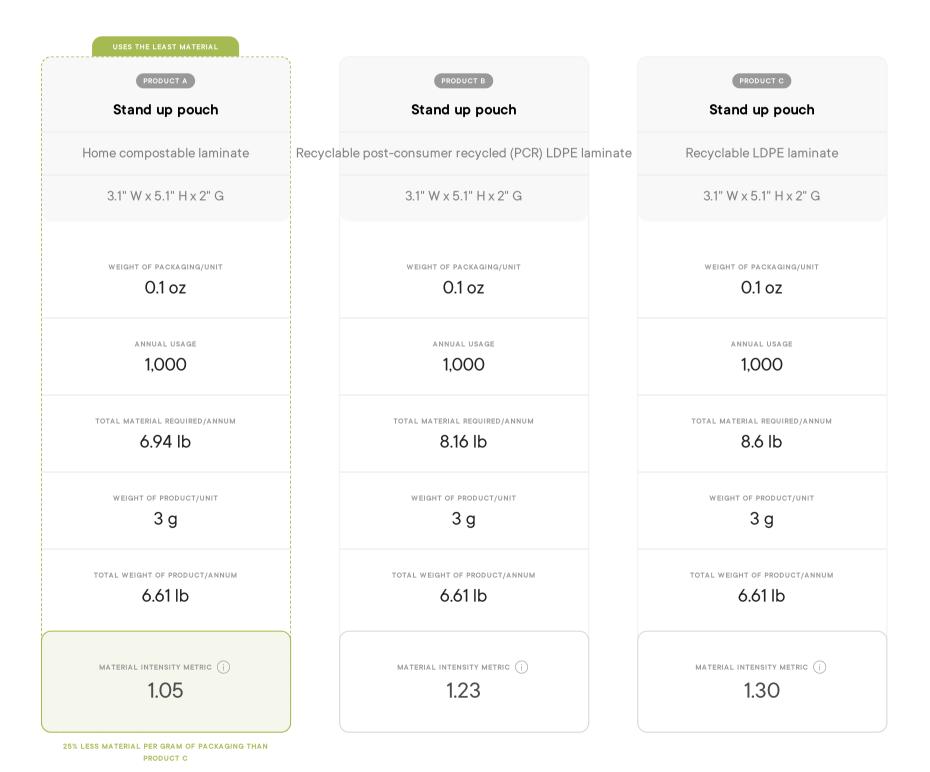
#### How can we improve?

At the design stage of any packaging development process it is important to consider reducing the overall amount of material required, both in the context of a product to packaging ratio, but also the peripheral effects of extra material on carbon footprint from extraction and logistics.

## Table of Material Usage data

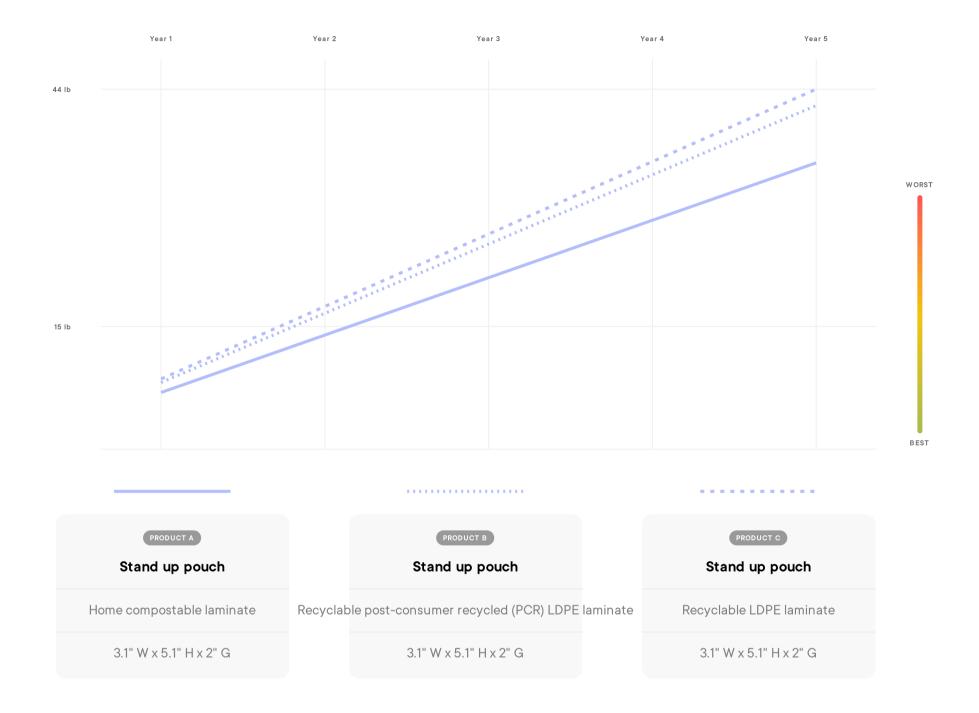
One of the most important considerations for sustainability in packaging relates to design. Packaging products need to be designed to use fewer components and less material overall. The total material used has a significant impact on carbon emissions, use of fossil fuels and treatment at end-of-life (recycling, landfilling etc).

Material usage simply refers to the amount of material required to produce the packaging of a product. In a world with finite resources, less material used is generally better. Material intensity is the ratio of the total amount of packaging to the product being packaged, again lower is generally better.

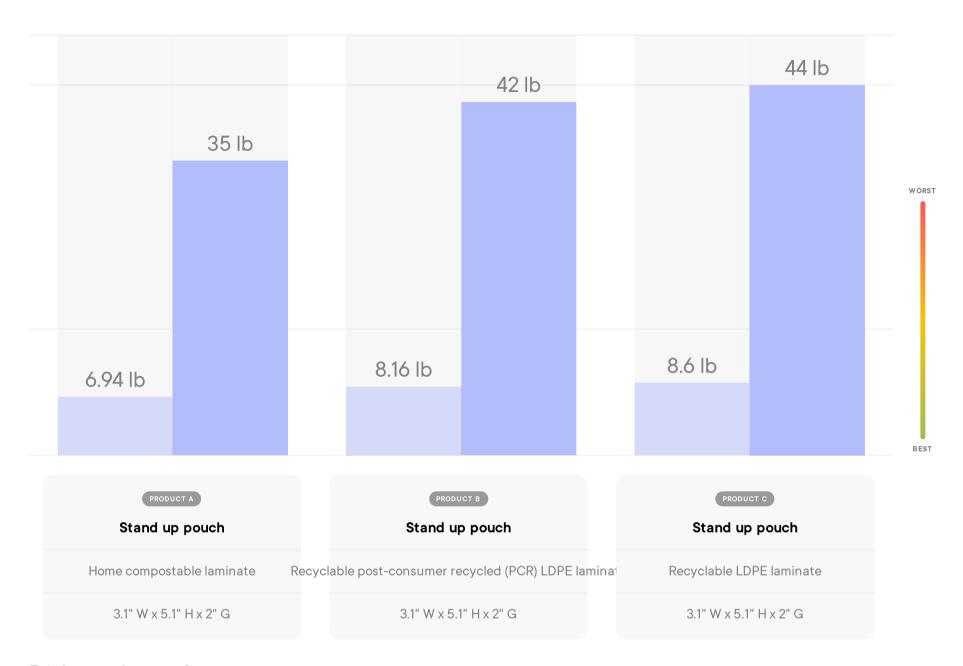


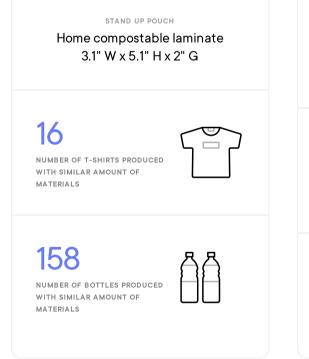
## 5 year cumulative line chart of Material Usage

Small changes can lead to significant results over longer periods of time. As such it is often useful to take a longer term view when evaluating different packaging alternatives



## 5 year cumulative line chart of Material Usage









# Responsible Sourcing

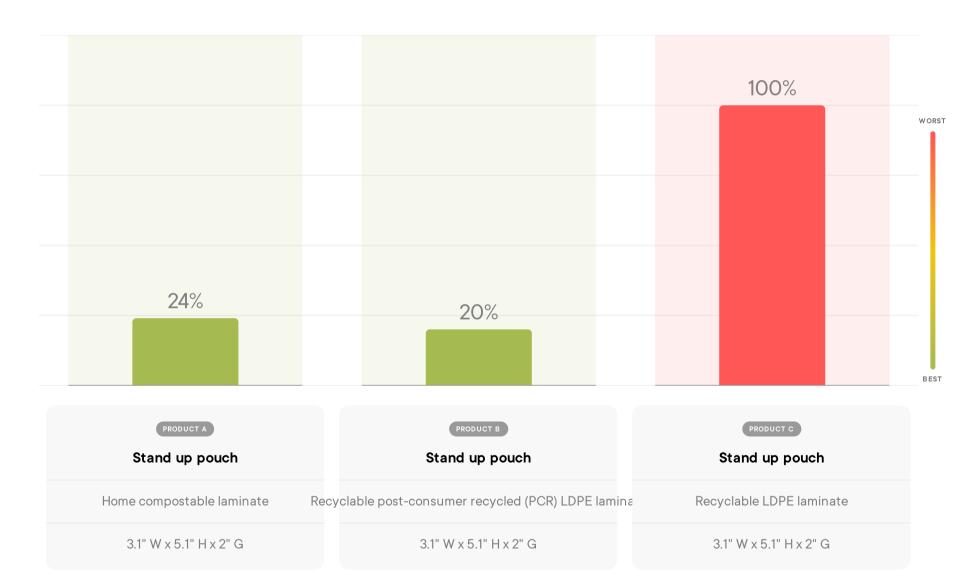
#### What are fossil fuels?

Fossil fuels are a non-renewable resource, extracted from the earth's crust, more commonly referred to as oil and gas. 99% of the world's plastics are made from materials derived from fossil fuels. The extraction and reliance on fossil fuels is the single largest driver of greenhouse gas emissions creating climate change.

#### How can we improve?

One of the most important changes the packaging industry needs to make is transitioning away from the use of virgin fossil fuels and towards using renewable and recycled materials.

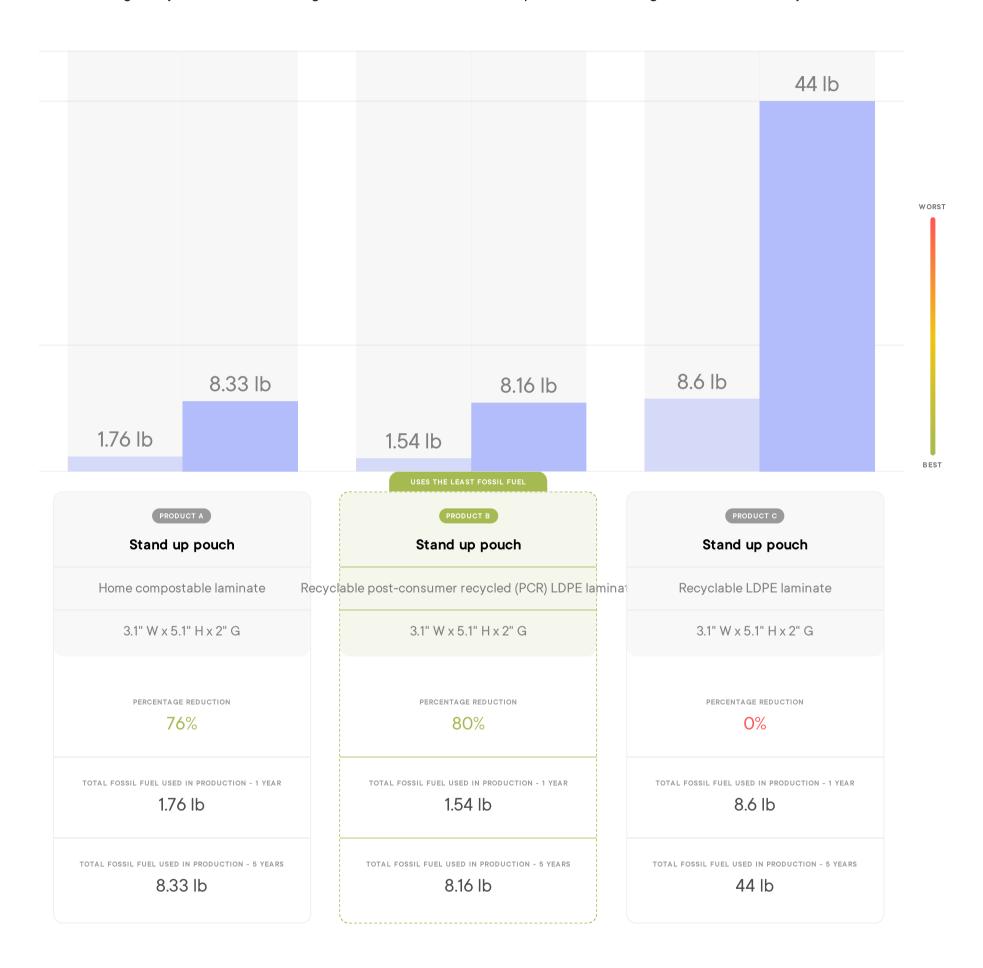
## Reliance on virgin fossil fuel (%)



## Total fossil fuel used in production

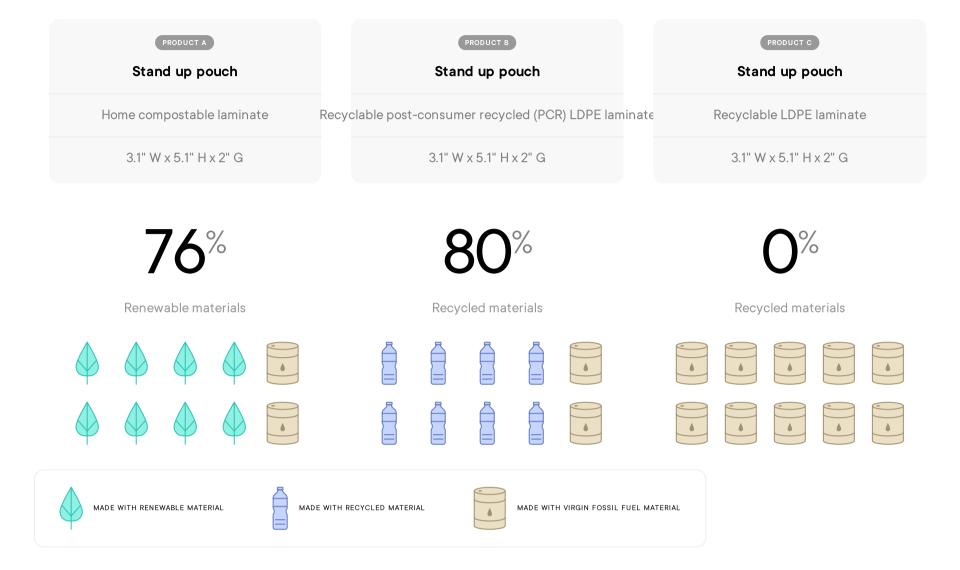
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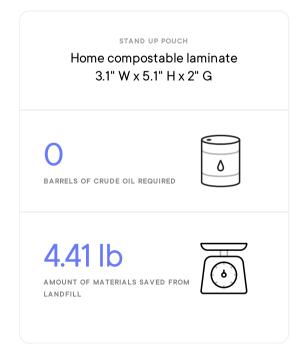
The extraction and reliance on fossil fuels is the single largest driver of greenhouse gas emissions creating climate change. Transitioning away from the use of virgin fossil fuel is a critical component of building a circular economy.

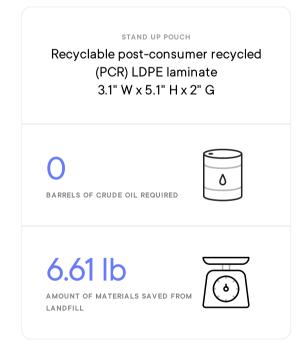


## Material composition

Packaging materials are often made from numerous different components blended together to create functional products. Broadly they fall into three main categories; virgin material, recycled material and renewable material.









# Carbon Footprint

#### What is carbon footprint?

Carbon footprint refers to the overall greenhouse gas emissions associated with the production, logistics, distribution, and disposal of a particular product of material. It is commonly expressed as a CO₂ equivalent. One of the most important sustainability focuses for all businesses should be to reduce carbon footprint across the scope of all activities.

#### How can we improve?

There are many things to consider when looking to reduce carbon footprint. Moving towards recycled and/or renewable content, and also changing energy sources away from coal and other fossil fuels are often the best places to start.

### Summary

Carbon footprint refers to the overall greenhouse gas emissions associated with a particular product or material. When looking at carbon footprint it is important to take into account the full 'life cycle' across raw materials, production, logistics, distribution, and then ultimately the disposal of a particular product or material. It is commonly expressed as a CO₂ equivalent.

One of the most important sustainability focuses for all businesses should be to reduce carbon footprint across the scope of all activities.

Stand up pouch	Stand up pouch	PRODUCT C Stand up pouch
отапа ор розоп		
Home compostable laminate	Recyclable post-consumer recycled (PCR) LDPE laminat	Recyclable LDPE laminate
3.1" W x 5.1" H x 2" G	3.1" W x 5.1" H x 2" G	3.1" W x 5.1" H x 2" G
RAW MATERIALS	RAW MATERIALS	RAW MATERIALS
2.37 kg CO₂-eq	3.45 kg CO₂-eq	8.69 kg CO₂-eq
MANUFACTURING	MANUFACTURING	MANUFACTURING
1.2 kg CO₂-eq	1.41 kg CO₂-eq	1.48 kg CO₂-eq
LOGISTICS	LOGISTICS	LOGISTICS
0.7 kg CO₂-eq	0.8 kg CO₂-eq	0.9 kg CO₂-eq
END-OF-LIFE	END-OF-LIFE	END-OF-LIFE
14 kg CO₂-eq	1.57 kg CO₂-eq	1.65 kg CO₂-eq
CARBON FOOTPRINT PER UNIT	CARBON FOOTPRINT PER UNIT	CARBON FOOTPRINT PER UNIT
0.018 kg CO₂-eq	0.007 kg CO₂-eq	0.013 kg CO₂-eq
TOTAL CARBON FOOTPRINT	TOTAL CARBON FOOTPRINT	TOTAL CARBON FOOTPRINT
18 kg CO₂-eq	7.23 kg CO₂-eq	13 kg CO₂-eq

60% LOWER CARBON FOOTPRINT THAN PRODUCT A

## Total carbon footprint

Net carbon emissions based on 10k units. Lower carbon emissions indicate a lower environmental impact.



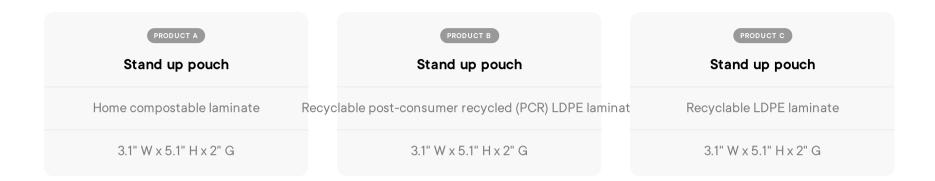
### Raw Material

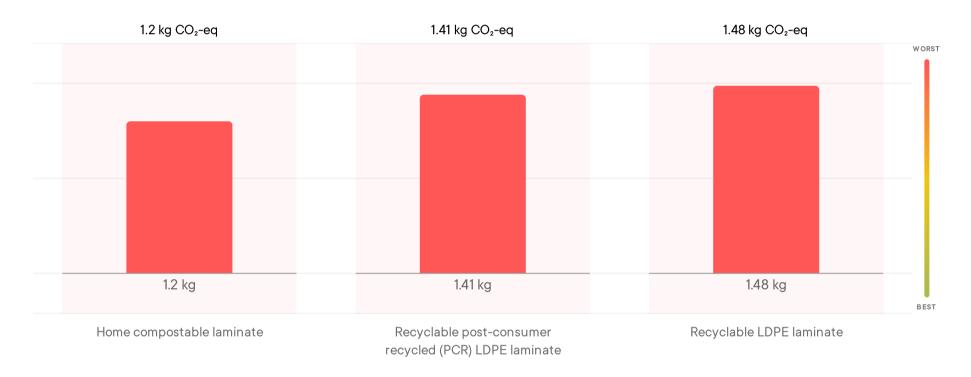
The carbon footprint from raw materials considers a number of factors; firstly the extraction or harvesting of those materials, any manufacturing or processing associated with them, and also supply chain movements. Importantly it looks at the 'embodied energy', or the total energy consumed, associated with all of these factors.



## Manufacturing

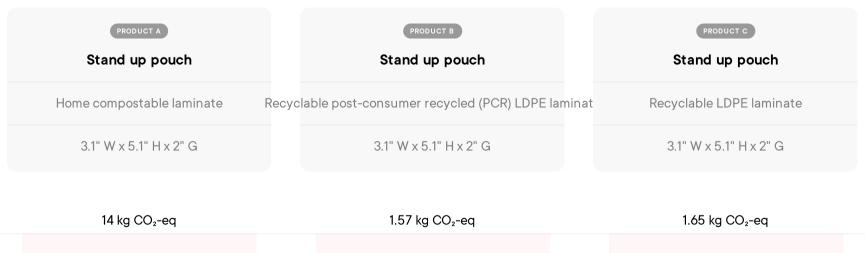
The carbon footprint from manufacturing takes into consideration the manufacturing and production processes required to take a series of raw materials and turn them into a finished good. In this case it refers to creating packaging from various component materials.

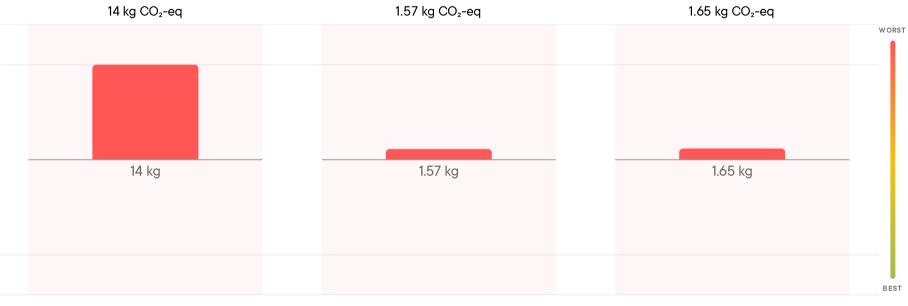




#### End-Of-Life

The carbon footprint from 'end-of-life' refers to the end destination for a particular product or material. Generally for packaging this includes incineration, landfilling, recycling, composting and re-use, all of which have different emissions profiles.

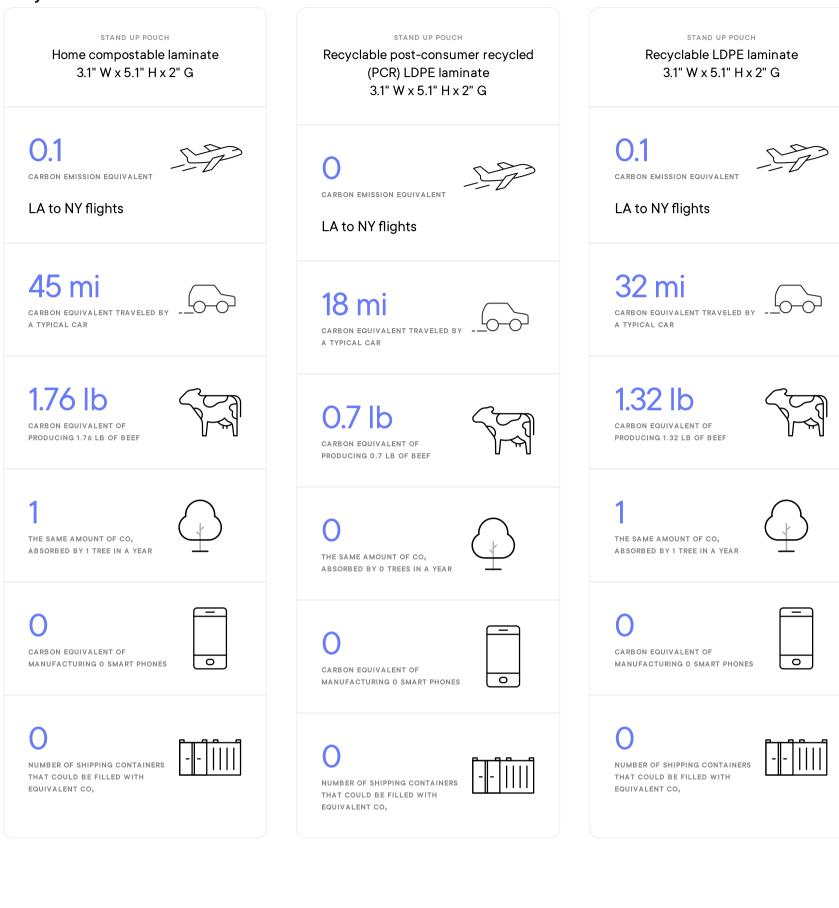




Home compostable laminate

Recyclable post-consumer recycled (PCR) LDPE laminate

Recyclable LDPE laminate



## **Material Circularity**

#### **Material Circularity**

The circular economy is a system that requires us to reconsider the entire lifecycle of our products and resources by designing out waste. That means making use of materials and technologies that extend the lifespans and potential reuse value of the things we produce, while minimising unintended waste.

The 'Material Circularity Indicator' (MCI), designed by the Ellen MacArthur Foundation, is a calculation measuring a product's 'circularity'. It takes into account many factors, including the amount of renewable or recycled content incorporated, it's utility, it's intended end-of-life destination, and the likelihood of it ending up in that intended destination. Grounded believes that MCI is the most important metric for sustainability in packaging.

#### The three components of material circularity

Sustainability data in packaging is poorly understood. Carbon, although important, only tells part of the story. Circularity tells a fuller story and sometimes that aligns with the carbon footprint, and others it doesn't.

The Material Circularity Indicator (MCI) is an indicator that measures the circularity of a product. Developed by the Ellen MacArthur Foundation, the MCI encompasses the entire life cycle of a good: from the extraction of raw materials, through processing and assembly, to the use and end-of-life phase.



#### 1. Use of recycled and/or regenerative content for manufacturer

The first and often most important sustainability consideration for packaging is the 'upstream' profile of a material. Put simply this looks at the amount of recycled or renewable content as a proportion of the total material requirement.



#### 2. Utility / Usable life

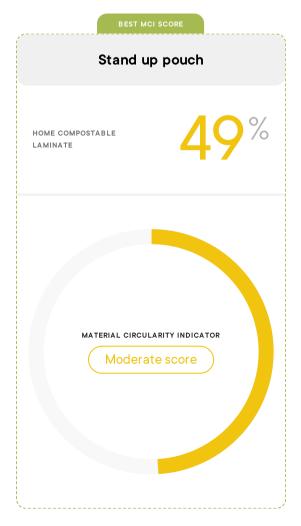
The second part of the calculation looks at the 'Utility' of a certain product or material. When looking at packaging the best example is to think about whether it is a single-use item or has it been designed to be more durable and suitable for multiple-uses.



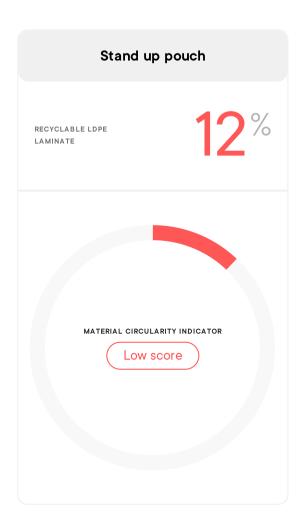
#### 3. End-of-life - recycling, remanufacture

The final component of the calculation relates to end-of-life design. Critically it takes into consideration whether something has been designed to work within a particular system (recycling, composting etc) and then also the likelihood that it actually ends up there.

## Material Circularity Indicator (MCI)







#### What is a good Material Circularity Indicator score?

A good circularity score for packaging would generally be considered to be anything over 50%. However some products are harder than others to achieve high MCI scores with and as such it is important to look at it in the context of whatever your product set is. Generally we recommend that a business picks a baseline circularity score that they want to achieve and then aims to meet or beat that across all of their packaging.

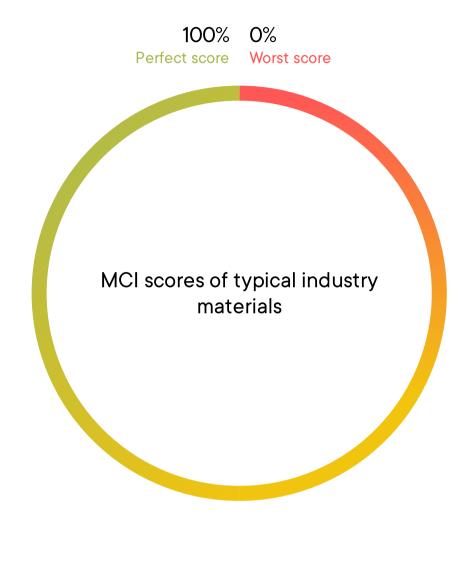
Scores of 75-100 would be considered exceptional. In order to achieve a score this high a product would not only have to be made of close to 100% recycled or renewable material, it would also need to have much higher utility i.e. be in use for multiple uses, and then at the end-of-life it would need to have a very high chance of being recycled or remanufactured.

e.g. a 100% recycled steel water bottle that can be used for many years and hundreds of uses, before eventually being recycled.

Scores of 50-75 would be considered very good for packaging in today's market.

Often scores in this range will be driven by very high use of recycled or renewable content for packaging products that have a clear pathway for effective end-of-

e.g. 100% FSC recycled paper or 100% rPET in locations with high collection and recycling rates for those materials (which is most developed economies)



Scores of 1 - 25 are considered low and often are driven by the use of virgin materials that do not have a defined and clear end-of-life pathway.

e.g. multi-material packaging formats that cannot be recycled

Scores of 25 - 50 are a significant improvement and should be considered OK depending on exact material and format.

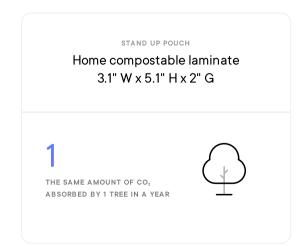
Often scores in this space will be reflective of packaging that is still considered single-use but incorporates a level of recycled and/or renewable content but may still have a challenging end-of-life pathway.

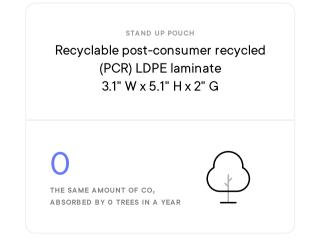
e.g. compostable packaging formats or packaging that uses recycled content but is still hard to recycle.

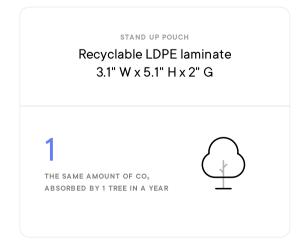
In many cases packaging has been designed to be single use. Particularly with food products the function of packaging has been designed to preserve shelf-life and prevent spoilage which is also very important from a sustainability perspective.

## How to improve your MCI

- 1. Maximize the amount of recycled and/or renewable content that goes into manufacturing
- 2. Design that packaging product for end-of-life streams that actually work in the regions that your customers are located.
- 3. To try and move beyond single-use packaging products and into systems that are designed to be reusable or refillable







## End-of-Life

#### What is end-of-life?

End-of-life refers to what happens to a product once it's intended purpose has been fulfilled. For packaging that generally refers to landfill, recycling, composting or re-use, depending on the material. All of Grounded's products are designed for recycling, composting or re-use.

#### How can we improve?

The first and most important thing is to design your packaging so that it works within a defined end-of-life system. A surprising amount of packaging has not been designed to be recycled, composted or re-used. Considerations should be given to customer's local waste management systems as they vary by region.

#### Scenarios and breakdown

Waste management is a complicated field. Different regions have different infrastructure for collection and management, and different materials need to be treated distinctly in order to be recycled or composted properly. Different types of plastics for example have very different recycling rates.

It is important to understand these considerations at both a regional and material level in order to inform the best packaging decisions.

