



## ESG – Redefining Sustainability in Packaging: Evolving Sustainability Beyond Environmental Concerns

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Sustainability in the packaging industry has tended to centre around traditional “reduce, reuse, recycle” environmental impact reduction – reducing carbon footprints, minimising waste, and using recyclable materials.

However, this limited sustainability concept is now expanding to encompass human and social considerations as well as environmental factors that apply throughout an organisation’s end-to-end value chain.

This evolution marks a significant shift towards a holistic approach that addresses the broader responsibilities of packaging players across all three areas of sustainability: natural (ecological) capital, human welfare and socioeconomic dimensions.

**Supply chain sustainability: beyond environmental impact**

Within the recent past, the concept of “sustainable supply chains” was commonly understood to mean eco-friendly materials and the reduction of greenhouse gases, but very little else.

However, our understanding of sustainability has evolved and we should now be expanding the definition to encompass criteria such as ethical sourcing, fair labour practices, and the empowerment of local communities.

Companies are beginning to recognise that their supply chains cannot be separated from the well-being of the societies and communities that their operations touch upon, both in the locations where they do business and in those where they source their raw materials. Today, organisations should think holistically about sustainability.

## **Natural capital**

Ethical sourcing is becoming increasingly more important, with organisations starting to understand the pressure on natural resources, which has become a key driver towards more sustainable and circular packaging materials.

The packaging industry is starting to focus on mitigating its impact on natural resources, and adapting processes in order to become less dependent on them.

These strategies are intended to keep companies operating within Kate Raworth's "doughnut" (Raworth, 2017), which is an economic model for sustainable development in which social foundations (based on the UN's Sustainable Development Goals) are met, while planetary boundaries are maintained and not overreached.

## **The human dimension of sustainability**

It is crucial for the packaging industry to understand human welfare as an aspect of sustainability, and moreover that it must be considered alongside preserving natural resources and protecting the planet.

This means that packaging companies must ensure fair compensation (paying a living wage), as well as humane and safe working conditions for all suppliers and workers involved in the production of packaging materials. Across the industry as a whole, fair trade practices are becoming a non-negotiable aspect of supply chain sustainability.

## **Community engagement and social impact**

Social sustainability extends to community well-being, and this applies to the locations where packaging materials are sourced, as well as those where the company operates.

Responsible companies are moving away from a transactional or even exploitative framework, by investing in education, healthcare, and infrastructure programs that empower these communities. In this way, a mutually beneficial relationship can be fostered between the company and the community.

## **Diversity & Inclusion**

In the packaging sector, diversity and inclusion should not be treated as fashionable buzz-words or bare-bones legal obligations. Indeed, they are fundamental principles which should be embraced for strategic advantage.

Organisations that are looking to create and promote a more diverse workforce are investing in professional development opportunities and fostering an inclusive culture as a matter of enlightened self-interest; companies that value diverse perspectives tend to innovate better, and to retain and attract the best talent.

The principles of diversity and inclusion are not complicated or hard to understand: by applying the basic human values of respect, equity, and compassion, every

individual should have the opportunity to develop skills and grow to their fullest potential – regardless of race, sex, origin or any other characteristic.

### **Balancing environmental and social objectives: the need for collaborative responsibility**

Moreover, it is important to realise that transitioning towards a more comprehensive sustainability approach should not reduce the importance of environmental considerations.

Conversely, a true and lasting packaging sustainability strategy must carefully integrate ecological, social, and economic aspects by encouraging cooperation between all stakeholders in the industry.

Collaboration between manufacturers, suppliers, policymakers, and consumers will be crucial for creating a sustainable packaging ecosystem.

### **Conclusion**

The packaging industry's journey towards sustainability is evolving beyond a simplistic understanding of environmental consciousness.

Sustainability is now understood as a recognition of the intertwined nature of environmental, social, and human aspects within the supply chain. This broader definition of sustainability empowers packaging companies to make a more profound impact – on the environment, individuals and communities, and also on society at large.

The future of sustainable packaging lies in a holistic commitment to the planet and its people. By engaging in collaborative action to realise a redefined approach to sustainability, the packaging industry can truly create lasting value for a better world.

