ABOUT THESE SECTOR INSIGHTS:

This document presents insights and data on the progress made by household and personal care signatories listed below to achieve their commitments on plastic packaging. This document is part of the 2021 Global Commitment Progress Report.

GLOBAL COMMITMENT SIGNATORIES REPORTING IN THIS SECTOR:

Beiersdorf AG Consumer Business*

The Clorox Company

Colgate-Palmolive Company

Essity AB

Freudenberg Home and Cleaning Solutions (FHCS)*

Henkel AG & Co. KGaA

Johnson & Johnson Consumer Health

Reckitt

SC Johnson

Unilever*

Werner & Mertz GmbH

**These signatories did not provide data for one or more metrics for 2019 and so are excluded from year-on-year comparisons for the relevant metric(s). In most cases this is due to signatories only having joined in the last reporting cycle.*

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Household and personal care sector

EXPLORE SIGNATORIES' ONLINE DATA | READ THE GLOBAL COMMITMENT 2021 PROGRESS REPORT

KEY INSIGHTS

Most household and personal care signatories decreased their use of virgin plastic packaging over the last year, and the adoption of new reduction targets is set to accelerate this trend going forward.

In 2020, six household and personal care signatories (67%) decreased their use of virgin plastic in packaging, on average by 5%. The remaining signatories increased their use of virgin plastic largely due to significant growth in their total plastic packaging weight following higher demand for hygiene products during COVID-19. Through reduction targets, all signatories have now committed to further reduce the amount of virgin plastic they use in packaging – by on average 38% – by 2025.

Progress so far has largely been driven by an increase in the use of post-consumer recycled content in plastic packaging.

Seven signatories in the sector (78%) increased the proportion of post-consumer recycled content (PCR) from the previous year, by an average of 3 percentage points. The majority of progress has been made by signatories increasing the amount of recycled content in HDPE and PET rigid plastic packaging formats, which are widely recycled. Challenges remain for the sector to tackle plastic packaging that is not recyclable in practice and at scale (45% on average), especially PP pots, tubs, and trays, and consumer-facing flexible plastic packaging such as pouches and shrink wraps.

Reuse piloting activity has been high, but only a few signatories reported efforts at significant scale to eliminate single-use packaging.

In 2020, nine signatories (82%) had reuse pilots in place – the highest level compared to other sectors. However, these activities do not appear to be translating into change at scale, as no signatories increased their overall proportion of reusable plastic packaging, and more than half (54%) reported that 0% of their plastic packaging was reusable. Furthermore, only 19% of the elimination examples reported by signatories involved fundamental changes to their packaging, products, or business models to avoid single-use packaging to begin with. Signatories will need to increase their focus on complete removal of the packaging and implementation of reuse models going forward.

REDUCTION TARGETS

From 2021, signatories are required to set 2025 targets to reduce their total weight of plastic packaging or virgin plastic in packaging to remain in the Global Commitment.

Number of signatories with virgin and/or total plastic packaging reduction targets

VIRGIN REDUCTION TARGET HIGHLIGHTS (i)**:**

- **Werner & Mertz** plans to reduce the weight of virgin plastic in its packaging by 100%.
- **Unilever** and **Beiersdorf** plan to reduce the weight of virgin plastic in their packaging by 50% from their 2018 and 2019 baselines, respectively.

TOTAL REDUCTION TARGET HIGHLIGHTS (ii)**:**

- One signatory in the sector, **Unilever**, set a total plastic packaging reduction target. The company's 50% virgin plastic reduction target (from a 2019 baseline) includes a total plastic packaging reduction of at least 100,000 metric tonnes.

(i) Virgin reduction targets aim to decrease the total weight of virgin plastic in packaging and should be underpinned by efforts on reuse and elimination in addition to increasing the use of recycled content.

(ii) Total reduction targets aim to reduce the total weight of plastic packaging.

For more information on reduction targets read the 2021 Progress Report.

ELIMINATION OF PROBLEMATIC OR UNNECESSARY PLASTIC PACKAGING

Top 5 plastic packaging categories targeted for elimination or reduction in the sector

Number of household and personal care signatories eliminating or reducing the plastic packaging category vs total number of signatories with the category in their portfolio

TRENDS:

- Signatories are most commonly targeting multilayer materials, PS, PVC, undetectable carbon black, and pumps/trigger sprays to improve recyclability.[1]
- However, only 19% of the elimination examples reported by signatories involved fundamental changes to the packaging, products, or business models – including through complete removal of some packaging or switching to reuse models – to avoid single-use packaging to begin with. These efforts included refill solutions for cleaning products and the removal of consumer and/or business flexible plastic packaging.

HIGHLIGHTS:

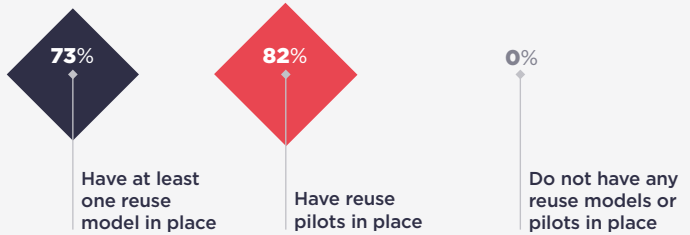
- In addition to removing undetectable carbon black from its face and body cleanser bottles, **Beiersdorf** has launched a solid shampoo for its Nivea brand.
- **SC Johnson** launched new refill options in North America enabling triggers from previously purchased products to be reused, avoiding 400 metric tonnes of plastic annually.
- **Reckitt** eliminated 1 million pumps from its lubricant and 7.5 million silicon valved closures by replacing them with flip top caps.
- In addition to removing pigments in bottles to improve recyclability, **Colgate-Palmolive** has committed to completely eliminate PETG in rigid packaging, PS, PVC, PVDC and undetectable carbon black by 2025.

MOVING FROM SINGLE-USE TOWARDS REUSE MODELS

Average reusable plastic packaging in 2020: 2.2% (▼ **0.1pp** vs 2019)[2]

Signatories at each stage of engagement with reuse

As a % of household and personal care signatories



TRENDS:

- In 2020, all signatories offered at least one product in reusable packaging, either through established reuse models or pilots. Most signatories (73%) offered products via 'refill-at-home' models, including concentrated solutions to use in refillable bottles, while four signatories (36%) provided 'refill-on-the-go' options including refill stations for laundry detergents, cleaning, and hair products.
- However, despite the high levels of piloting activity, only three signatories (27%) had launched more than three pilots in 2020 (**Beiersdorf**, **Unilever**, and **SC Johnson**), and none increased their overall percentage of reusable plastic packaging in 2020.

HIGHLIGHTS:

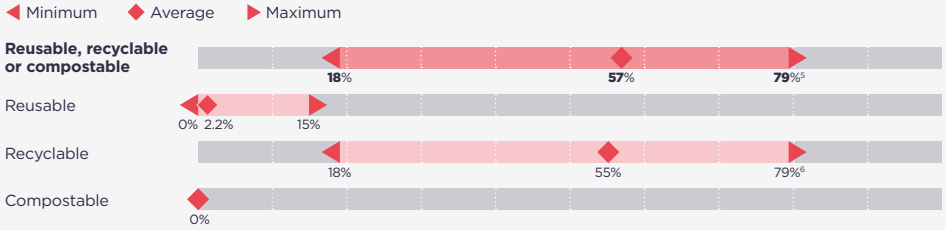
- **SC Johnson** is planning 45 reuse pilots by 2025 and has the highest percentage of reusable plastic packaging in the sector, at 15%. In 2020, the company launched concentrated refills for cleaning products and expanded refill stations for nine product categories in Europe.
- **Colgate-Palmolive** launched tablets for cleaning products in France, and for toothpaste and hand soaps in the United States – where it also launched a partnership with Algramo to explore reuse opportunities.
- **Unilever** launched 11 pilots in 2020, and reported the expansion of products sold in reusable formats, such as its Dove refillable deodorant.

100% REUSABLE, RECYCLABLE OR COMPOSTABLE (RRC)[3]

Average RRC in 2020: 57% in 2020 (▲ **1.5pp** vs 2019) || **2025 target: 100%**[4]

Share of reusable, recyclable, or compostable plastic packaging

Average share of reusable, recyclable, or compostable plastic packaging for household and personal care signatories as a percentage of total plastic packaging weight



TRENDS:

- The average proportion of reusable, recyclable, or compostable plastic packaging increased slightly in 2020, by 1.5 percentage points, mostly as a result of increased recyclability. Six signatories (67%) made progress on this metric, primarily by better designing their packaging for recycling, including removing coloured pigments and non-recyclable pumps in bottles.
- However, on average, 45% of signatories' plastic packaging remained non-recyclable, including PP pots, tubs, and trays (on average 12% of signatories' packaging), and consumer-facing flexible plastic packaging (22%) such as pouches and shrink wraps, which will need addressing by innovating away from these packaging types or scaling recycling infrastructure.

HIGHLIGHTS:

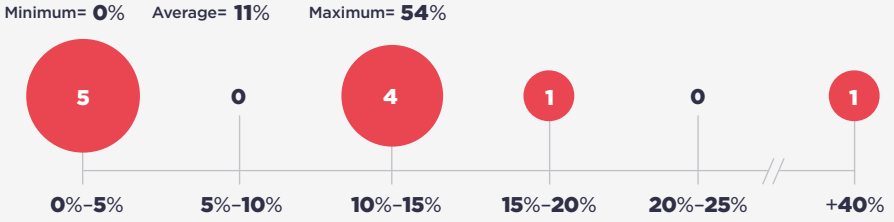
- **SC Johnson** launched a scorecard assigning all packaging red, amber, or green status to improve recyclability. Categories assessed as non-recyclable or hindering recycling due to pigments, material types, or sizes are assigned as red and are being removed.
- **Henkel**, **Essity** and **Reckitt** reported their participation in project HolyGrail, which is exploring the viability of using **Digimarc Corporation's** digital watermarking technology for accurate large-scale packaging sorting.
- **Beiersdorf**, **Henkel**, **Reckitt**, **Unilever**, and **Werner & Mertz** have explicitly and publicly recognised that EPR is the only proven way to ensure sufficient funding for the collection, sorting, and recycling of packaging, and that without it recycling is unlikely to ever scale.

POST-CONSUMER RECYCLED CONTENT (PCR) TARGETS

Average PCR in 2020: 11% (▲ **2.2pp** vs 2019) || **2025 target: 31%**[7]

Levels of post-consumer recycled content in plastic packaging

Distribution of percentages of post-consumer recycled content in plastic packaging for household and personal care signatories



TRENDS:

- Seven household and personal care signatories (78%) increased their proportion of post-consumer recycled content, with three signatories (33%) increasing it by more than 3 percentage points. This was driven by increasing recycled content in rigid plastic packaging such as HDPE and PET bottles, which are widely recycled.
- Several signatories are working closely with recyclers to secure their future supply of post-consumer recycled content, notably by improving the collection and recycling of packaging such as bottles.

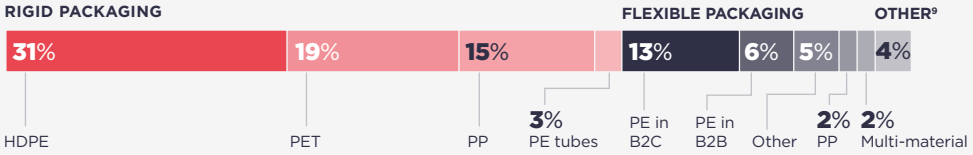
HIGHLIGHTS:

- **Unilever** more than doubled its post-consumer recycled content from 5% to 11% and expects to have doubled it again in 2021. The company plans to increase the number of recycled plastic suppliers in South and South-East Asia and will invest in AI machines to collect, sort, and recycle bottles back into Unilever packaging in China.
- **Werner & Mertz**, which had the highest level of post-consumer recycled content in the sector at 54% increased its recycled content by 1.9 percentage points compared to 2019, by incorporating it in HDPE and PP packaging.
- **Beiersdorf** worked with the Consortium CosPaTox to develop toxicological safety guidelines for post-consumer (non-food) plastic recyclates and further harmonise high-quality post-consumer recycled content materials.

PLASTIC PACKAGING PORTFOLIO BREAKDOWN

Plastic packaging portfolio breakdown[8]

Average share of each plastic packaging category in household and personal care signatories' portfolios



TRANSPARENCY

Key transparency metrics

As a % of household and personal care signatories

ENDNOTES

1 PS = Polystyrene, PVC= Polyvinyl chloride

2 In this document, the quantitative metrics for 2020 and 2025 targets represent the non-weighted average of the data reported by all signatories in the sector. The year-on-year changes reported across all metrics refer to those seen for signatories reporting in both the last two years (i.e. data from signatories reporting for the first time in 2021 are not included as part of the change).

3 To be claimed as recyclable/compostable according to the Global Commitment definition of recyclable/compostable 'in practice and at scale', packaging needs to meet the thresholds of being recycled/composted at a 30% rate across multiple regions, collectively representing at least 400 million inhabitants. For more information, see 'How are recyclability and compostability assessed in the Global Commitment?' in the 2021 Progress Report.

4 Ibid.

5 Henkel is the signatory in the sector with the highest RRC and recyclability percentages. However, the company has deviated from the results of the 2021 Recycling Rate Survey in its recyclability assessment, so care should be taken when comparing its percentages with those of other signatories. More details on Henkel's recyclability assessment is provided in the company's individual progress report, available via the online platform.

6 Ibid.

7 In this document, the quantitative metrics for 2020 and 2025 targets represent the non-weighted average of the data reported by all signatories in the sector. The year-on-year changes reported across all metrics refer to those seen for signatories reporting in both the last two years (i.e. data from signatories reporting for the first time in 2021 are not included as part of the change).

8 HDPE= High-density polyethylene, PE = Polyethylene, PET = Polyethylene terephthalate, PP = Polypropylene

9 Packaging categorised as 'other' represents packaging not classified by signatories under any predefined categories but could include rigid or flexible packaging. This packaging was not assessed as recyclable in practice and at scale.

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DISCOVER WHAT ELIMINATION AND REUSE SOLUTIONS CAN BE IMPLEMENTED WITHIN YOUR ORGANISATION IN OUR UPSTREAM INNOVATION GUIDE

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