

PPAI Product Responsibility Summit™

Understand
Sustainability

The Importance Of Reporting: When And Why To Report

Ben Pawsey

Vice President of Marketing, HPG

The Importance of Reporting

PPAI Product Responsibility Summit

October 10, 2023

Speaker



Ben Pawsey
HPG
VP of Marketing



Sustainability Leadership



Momentum is building








PPAI Product Responsibility Summit

Advocate For Waste Reduction


Register Today!
October 8-10
Alexandria, VA

PPAI Media

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JONNY AUPING - AUGUST 24, 2023 2 COMMENTS LEAVE REPLY SHARE   

PPAI Names First-Ever Director of Sustainability & Responsibility



 **Staples**™

Promotional Products

ecovadis

Business Sustainability Ratings

SanMar's Sustainability Journey

1971

Marty Lott founds SanMar with a clear mission: Be Nice and Tell the Truth

1994

Introduce Port Authority brand

2012

SanMar is accredited by FLA



2016

Hire two social responsibility specialists

2017

Become a member of Sustainable Apparel Coalition



2018

Publish first Corporate Responsibility Report

2019

Become a Better Buying subscriber and conducted first survey

Publish our factory list online



2020

Found IDEA Council to advise and guide company-wide diversity efforts

2022

Publish Better Buying Scorecard

Science-based target to reduce greenhouse gas emissions are approved by SBTi



How to be an Intrapreneur

#1 Engage the decision makers

In the midst of every crisis, lies
great opportunity.

– Albert Einstein

Not a brand problem





Not a brand problem

This is a brand problem





This is a bigger brand problem

...but also an opportunity



Why? Follow the money



Aggregate personal income by year of age



Note: Chart shows the estimated sum of total personal income among all Americans of given age in 2019.

Chart: Andy Kiersz/Insider • Source: Insider analysis of 2019 American Community Survey microdata via IPUMS

<https://www.businessinsider.com/24-gen-z-trends-40-millennial-spending-changing-economy-2021-9>



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The 40-year-old millennial and the 24-year-old Gen Z are in charge of America right now

Hillary Hoffower and Andy Kiersz Sep 26, 2021, 3:10 AM

🔖

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✉

↺

ANALYSIS

- **The oldest millennial and oldest Gen Z are in charge right now — of spending, influence, and the economy.**
- **The 40-year-old's financial behavior is shaping huge economic markets like housing.**
- **Meanwhile, the 24-year-old is setting trends, affecting consumer behavior for everyone.**

←

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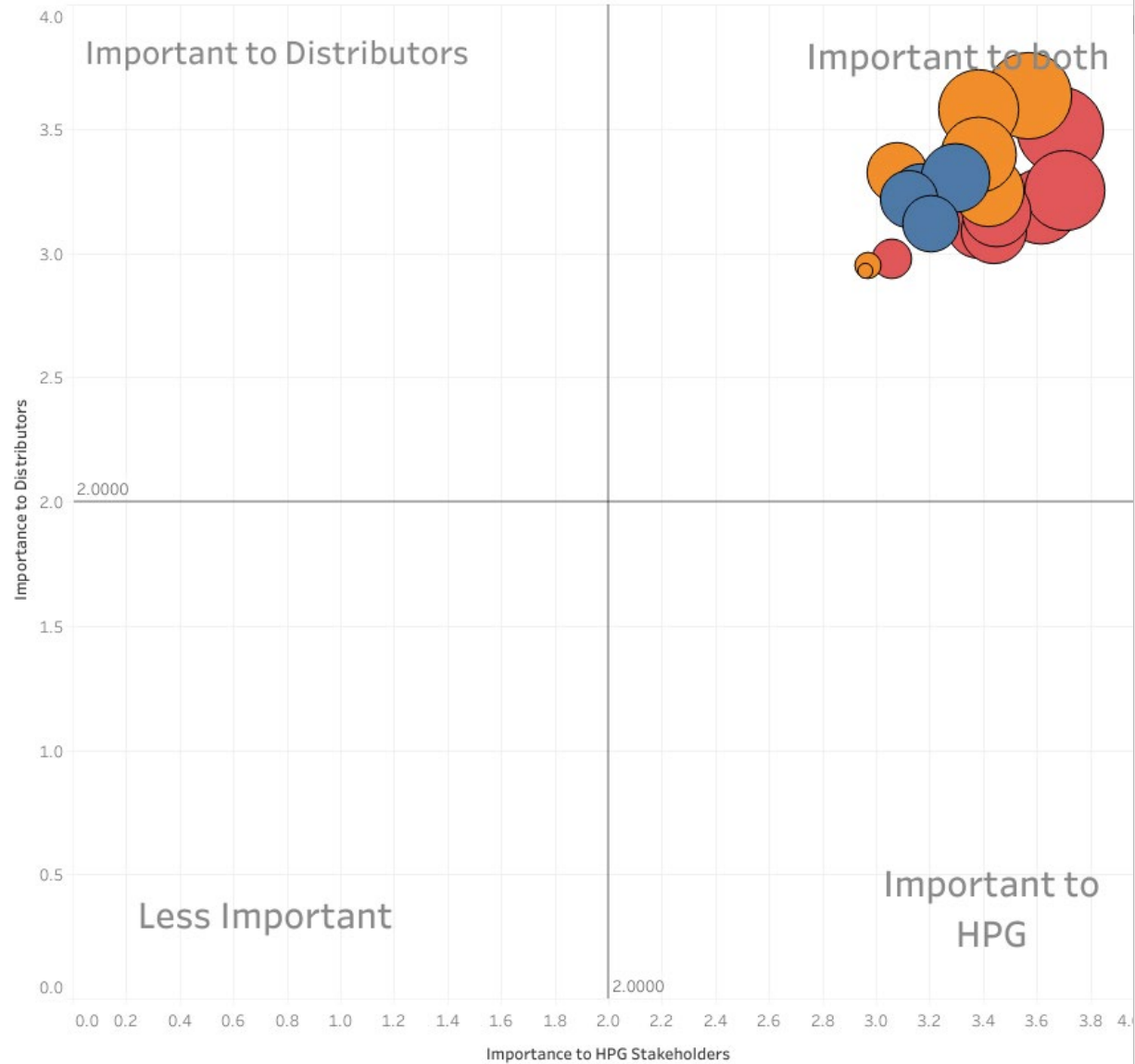
#2 Prove it matters to key stakeholders

Materiality Assessment

- A survey sent to customers, and HPG staff, board members, key vendors. Plot internal stakeholder results against external to see which issues matter most to them.



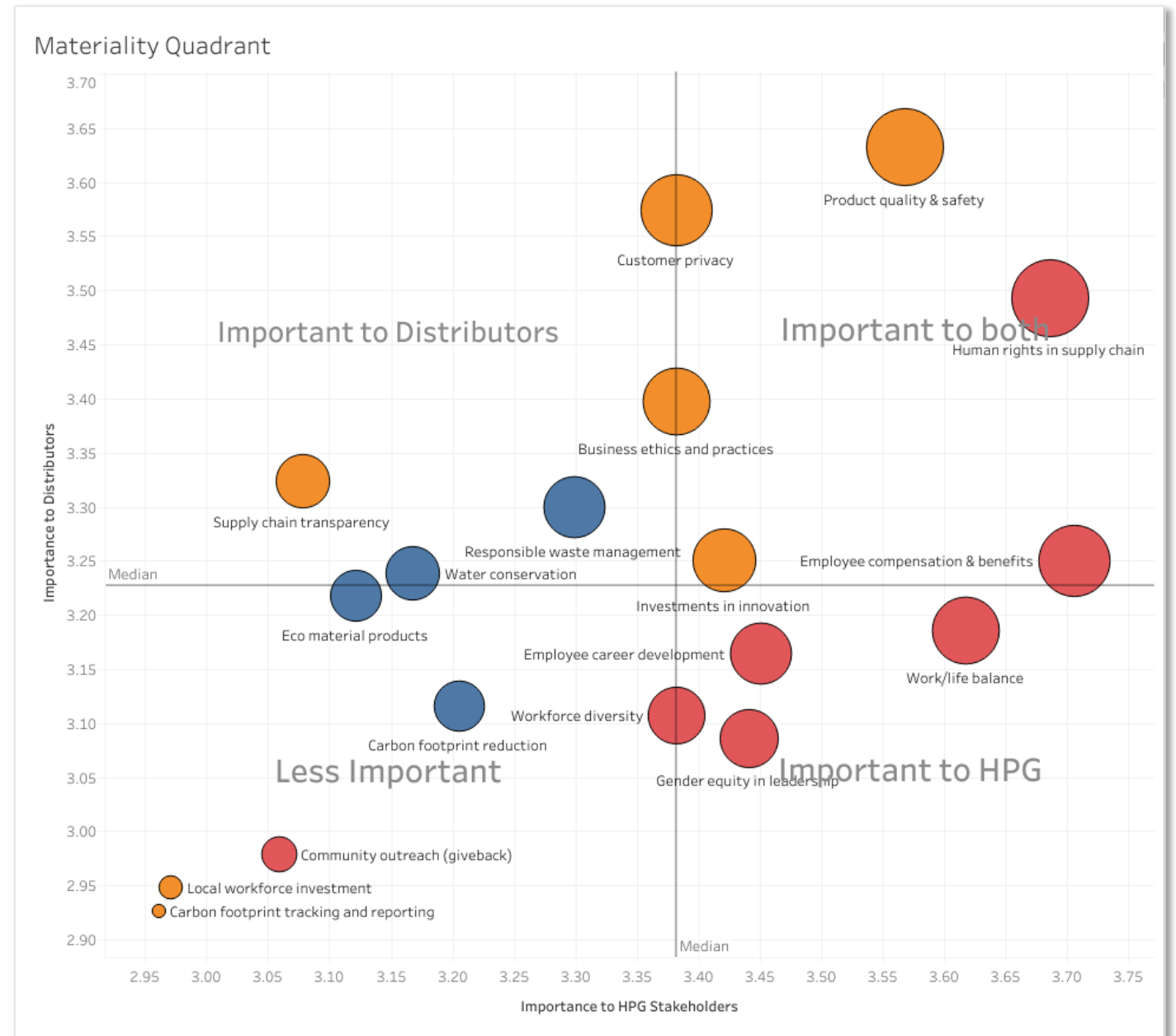
Materiality Quadrant FULL Scale



#3 Narrow scope

Based on the materiality assessment, these were the ESG priorities for HPG:

- Environmental: Responsible waste management
- Social: Human rights in supply chain
- Governance: Product quality & safety




#4 Find Quick wins



HPG was already doing good things e.g. the Transparent Product Safety Portal

Product Lookup

Views | Sales View | Customize cards | Filtered by Product ID | Sort



HUB - 321

DESCRIPTION


Javalina™ Executive Pen

COMPANY

HUB

COMPLIANT

PASS - HPG STD



MIXIE - 3213

DESCRIPTION


aRoma™ Ball

COMPANY

MIXIE

COMPLIANT

PASS - HPG STD



DEBCO - DA7321

DESCRIPTION


500 ML. 17 Fl. Oz. Double Walled Tumbler ...

COMPANY

DEBCO

COMPLIANT

PASS - HPG STD



DEBCO - DA8321

DESCRIPTION


500 ML. (17 Fl. Oz.) Double Walled Tumbler...

COMPANY

DEBCO

COMPLIANT

PASS - HPG STD



DEBCO - PE321

DESCRIPTION


Javalina® Executive

COMPANY

DEBCO

COMPLIANT

PASS - HPG STD



BEACON - RR3210

DESCRIPTION

Pocket Partner® Ruled Weekly Format In V...

COMPANY

BEACON

COMPLIANT

PASS


Extensions

Safety Sheet Dashboard

Portal Tutorial

Content loaded from www.youtube.com

HPG Compliance Walkthrough



Product Lookup

Sales View

HPG

PRODUCT SAFETY SHEET

TESTING RESULT: PASS - HPG

PROP 65 COMPLIANT

PROPOSITION 65 WARNING NOT REQUIRED

PRODUCT INFO

Product ID: HUB - 321

Description: Javalina™ Executive Pen

TEST DATA

TEST CONDUCTED	COMPLIANCE LIMITS	RESULT
Lead (Pb) - (CPSIA & Prop 65)	≤ 100 ppm (0.01%) - metallic & nonmetallic substrates	PASS
Phthalates - (CPSIA & Prop 65)	≤ 1,000 ppm (0.1%) - paint and surface coating	PASS

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#5 Find your carrots



Product Development teams are under pressure to bring new, differentiated products to market and there's a growing demand for sustainable products.

- A new capsule collection of Origaido backpacks made from recycled plastic bottles launched in January 2023 and were successful
- In 2024 Origaido's bestselling Boxanne speaker and TenFour powerbank will be made exclusively from recycled plastic, along with a new Eco-tech collection.



HPG's Giveback Program had started at one brand donating to one NGO and was popular with customers. Now it has been rolled out to 4 of HPG's brands and 3 NGO's in 2023 with more brands signed up.



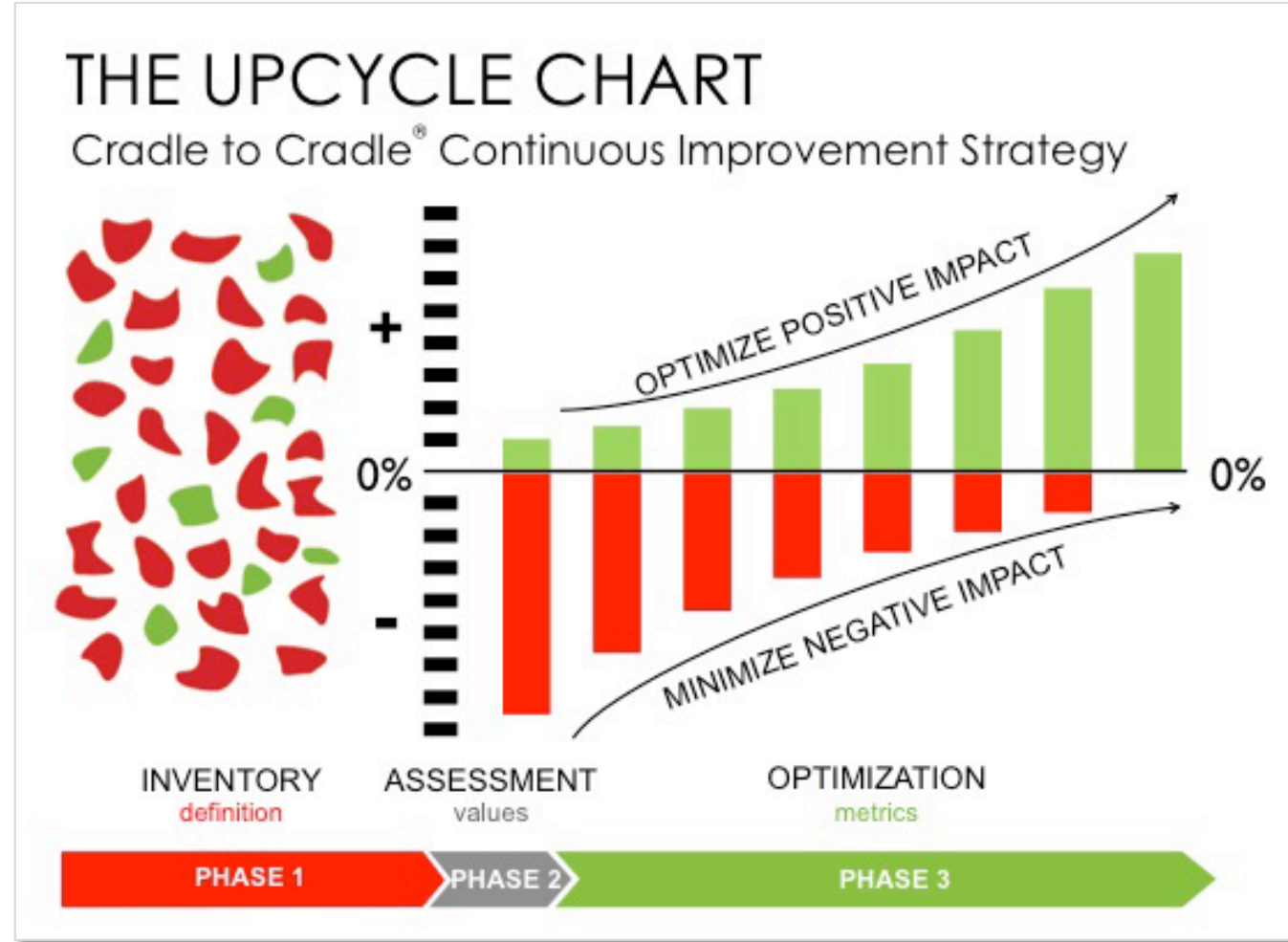
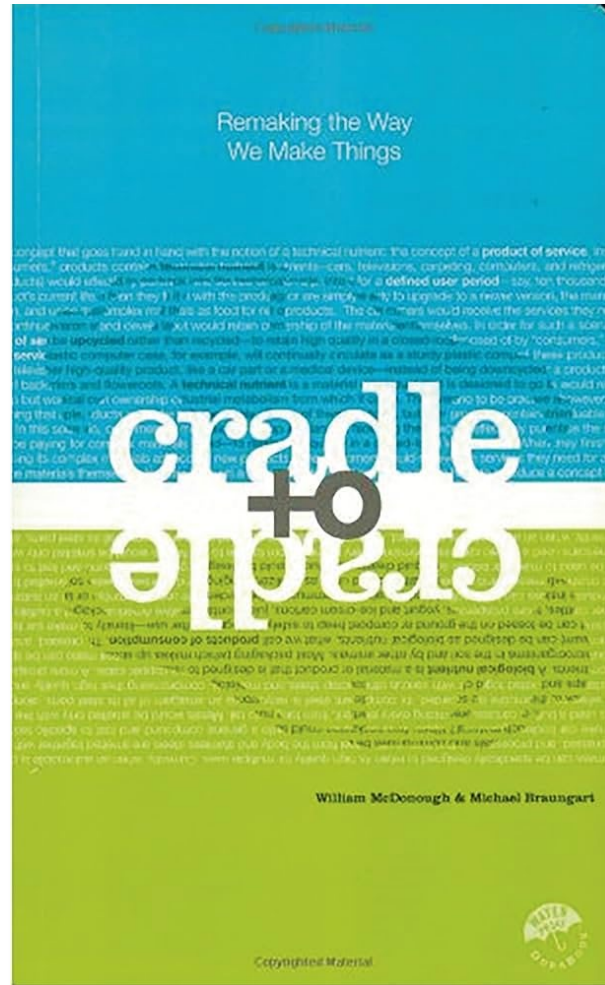
Coming soon: Strategic partnership with Terracycle

1. Engage the decision makers
2. Engage everyone else
3. Narrow the scope
4. Find quick wins
5. Find your carrots

Sustainability Next Steps

#1 “Less Bad ≠ Good”

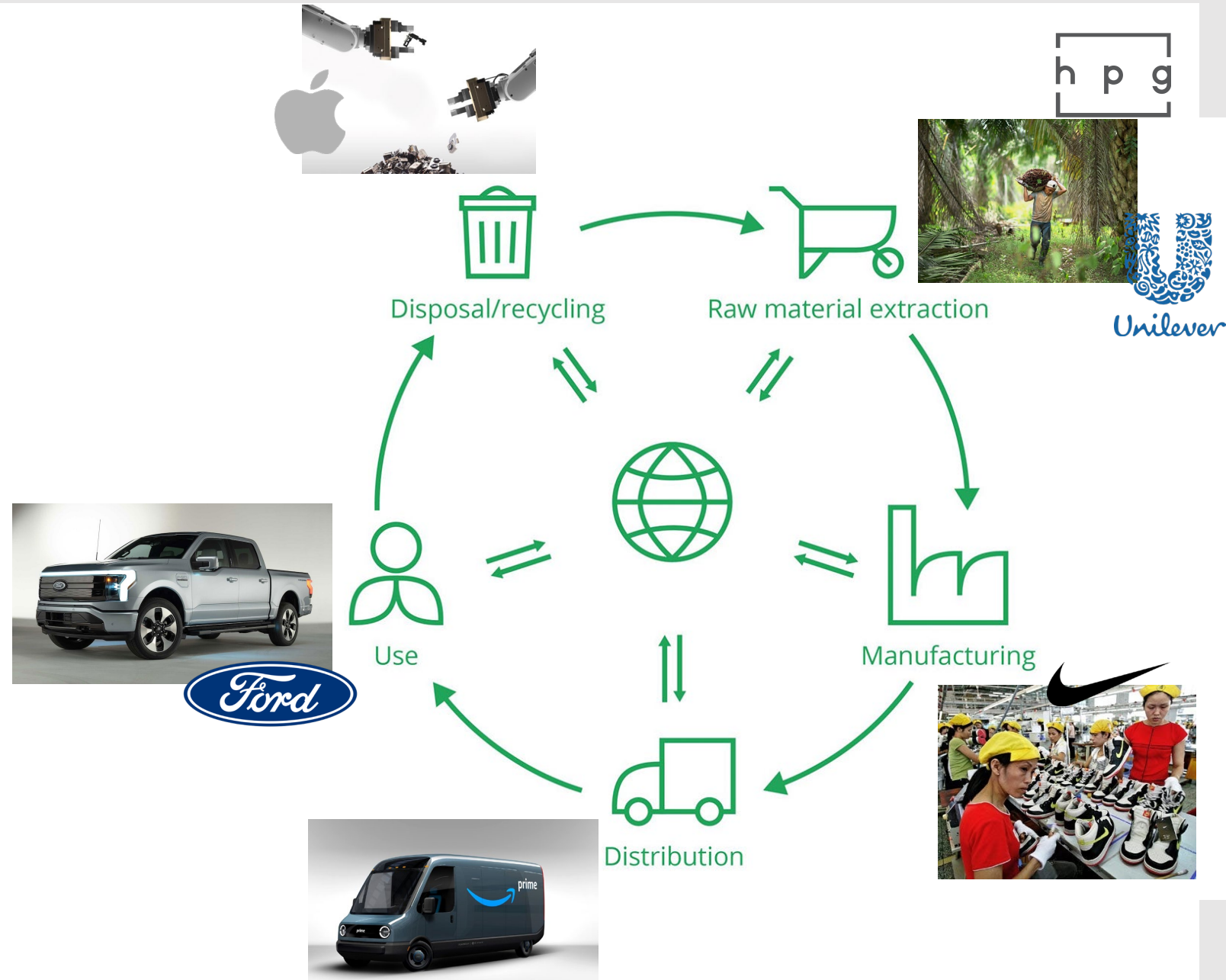
- William McDonough



#2 Go where the action is

Everything can be more sustainable but we should focus most of our effort on the biggest contributors to our social and environmental impact to have the best story to tell and avoid the Greenwash trap.

- Automotive products have the biggest impact during the Use phase and so those brands focus on sustainable product innovation e.g. Electric F-150
- Tech hardware companies like Apple are concentrating on e-waste recycling (win-win with the rare earth mineral sourcing challenge) and overseas labor after Foxconn negative press
- Food brands on Sourcing e.g. Unilever, Starbucks
- Fashion brands are focused on overseas Manufacturing and materials e.g. Nike
- Amazon.com is focusing on Distribution through electric delivery vehicles because they are a marketplace and logistics company



#3 Collaborate with Marketing & Sales



#4 Embed it into your business strategy

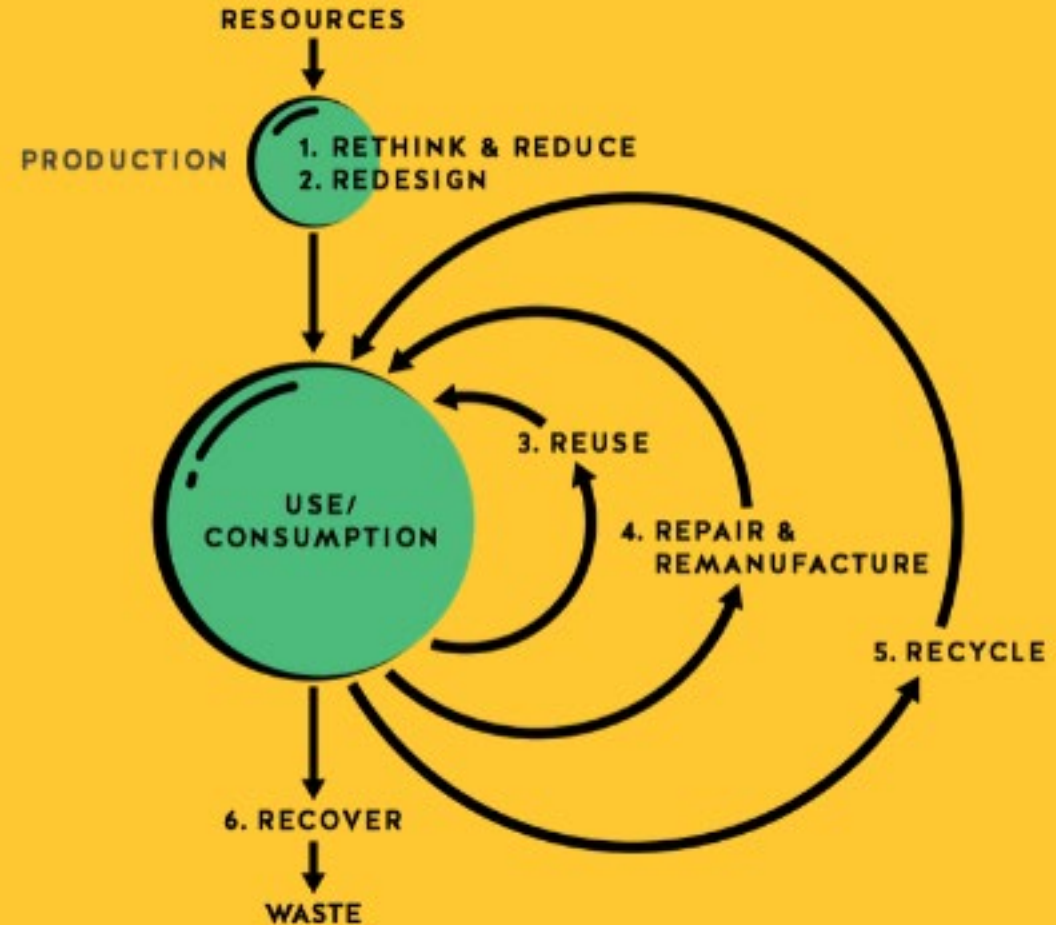
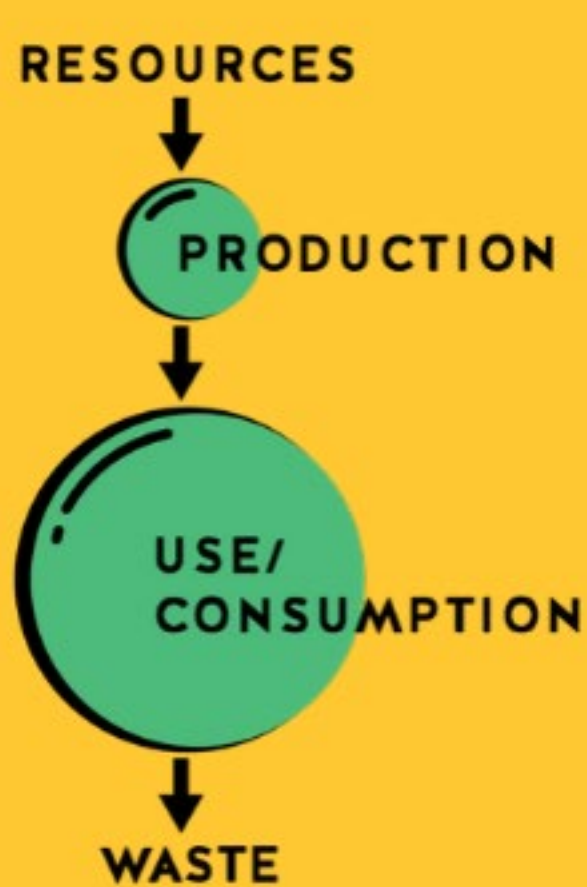


#5 Set the vision

NUTRIENT METABOLISMS



Circular Economics



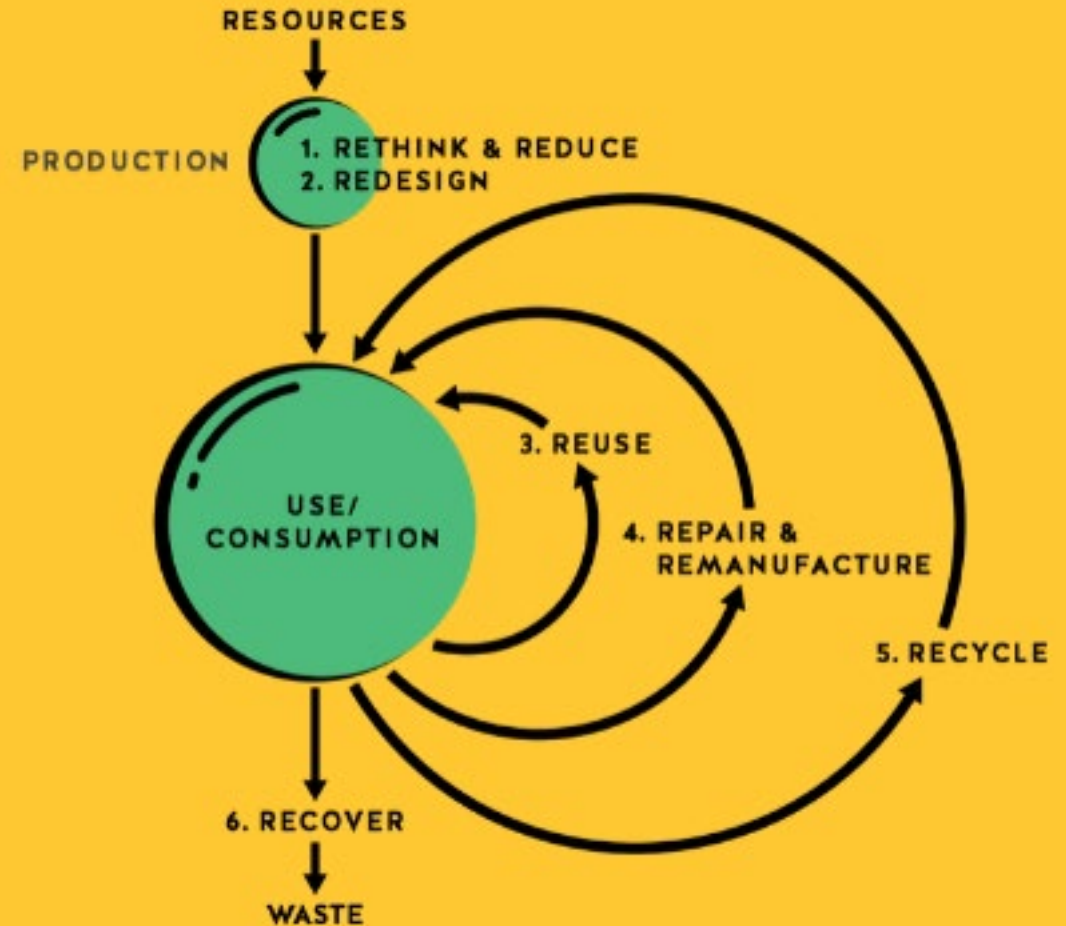
Circular Economics



In June 2022, California passed SB 54, also known as the California Circular Economy and Plastic Pollution Reduction Act. This law requires that all packaging in the state be fully recyclable or compostable by 2032. It also requires:

- A 25% decrease in single-use plastic waste by weight and unit by 2032
- 65% of all single-use plastic packaging to be recycled by 2032
- Companies to be honest about their products so that consumers know what they're purchasing

The law puts the responsibility for recycling on the producer of the product. It is the most stringent plastic reduction rule in the U.S. and the only comprehensive circular economy policy in the nation.







Eliminating the Idea of Waste®



Introducing Terracycle



How Terracycle Recycles Waste



- 1 Receive**
TerraCycle receives waste in our Materials Recovery Facilities (MRFs). TerraCycle operates dozens of MRFs in 21 countries and handles thousands of different waste streams.



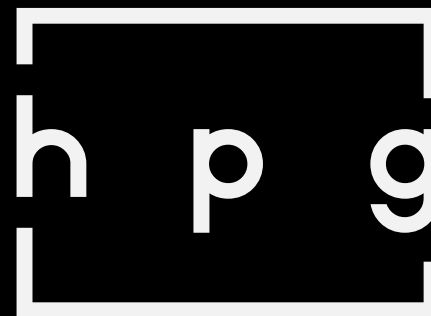
- 2 Check in**
TerraCycle checks in, weighs, inspects materials for compliance, and records all shipments. Key shipment data is shared with partners via TerraCycle reports.



- 3 Aggregate**
Shipment contents are aggregated and stored with similar materials until minimum processing quantities are met.



- 4 Recycle**
TerraCycle works with strategic partners to process individual waste streams into a secondary raw material. Secondary raw materials can be used to make new products or can be used in your own supply chain.



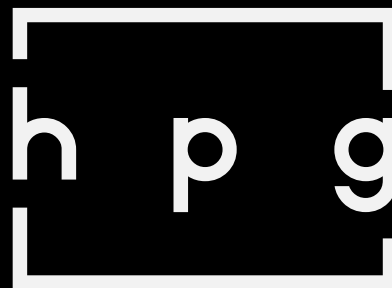
Sorting Swag



Launching now! Terracycle Zero Waste Box at HPG



Brandable waste collection boxes that come with a prepaid shipping label affixed to send back to Terracycle for processing.



Ben Pawsey

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*Batch
& Bodega*
EST. 2020

bcg
SINCE 1981

Beacon✱



 **debeco**

EVANS

HandStands ✱

Hub


mixie

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