



Fulfilling Packaging's Potential

Sustainability through packaging



The Power of Less[®]



PHOTO: DS SMITH, ADOBESTOCK





Sustainability is the **key to a better future**. Not only in our day-to-day lives but also in supply chains – presenting supply chain managers with new challenges.

Most of them already acknowledge that buying and moving materials and shipping finished goods makes a significant contribution to the manufacturing sector’s environmental and social impact, but the way they handle it seems to vary.

To understand how businesses manage this complexity and the role packaging plays in their strategies, we surveyed **300 executives** who carry responsibility for supply chains, procurement, packaging, commodities or sustainability. Here, you will find a brief summary of the most interesting findings.

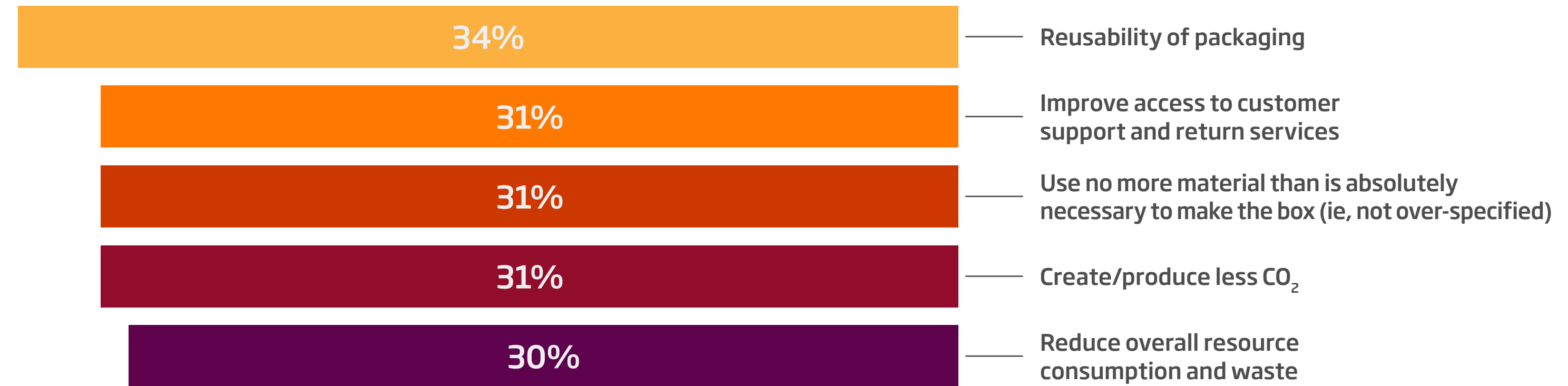
300

executives with responsibility for supply chains surveyed from these key sectors:

-  → AUTOMOTIVE
-  → ELECTRONICS
-  → CHEMICALS
-  → PHARMACEUTICALS

Reduce your supply chain's environmental impact

We asked our respondents how they think optimised packaging could help them reduce the environmental impact of their supply chain. The answers varied from reusing packaging (34%) to producing less CO₂ (31%) and reducing overall consumption and waste (30%).



Smart use is key

Of course, packaging itself has an environmental impact. Therefore, supply chain managers must carefully consider the types of materials they use to transport raw materials, parts and finished goods.

In some cases, metal and plastic packaging is the right solution. Even if these materials can be difficult to recycle, extensive reuse makes good environmental sense. In other cases, cardboard will be a better option, as it's lighter, cheaper, and easier to transport and recycle.

A catalyst for the circular economy

Packaging can support a number of sustainability goals, but the most important thing is that it can enable the circular economy.

87% of respondents fully committed to the circular economy

27% of respondents say they are already applying circular economy principles throughout their supply chain

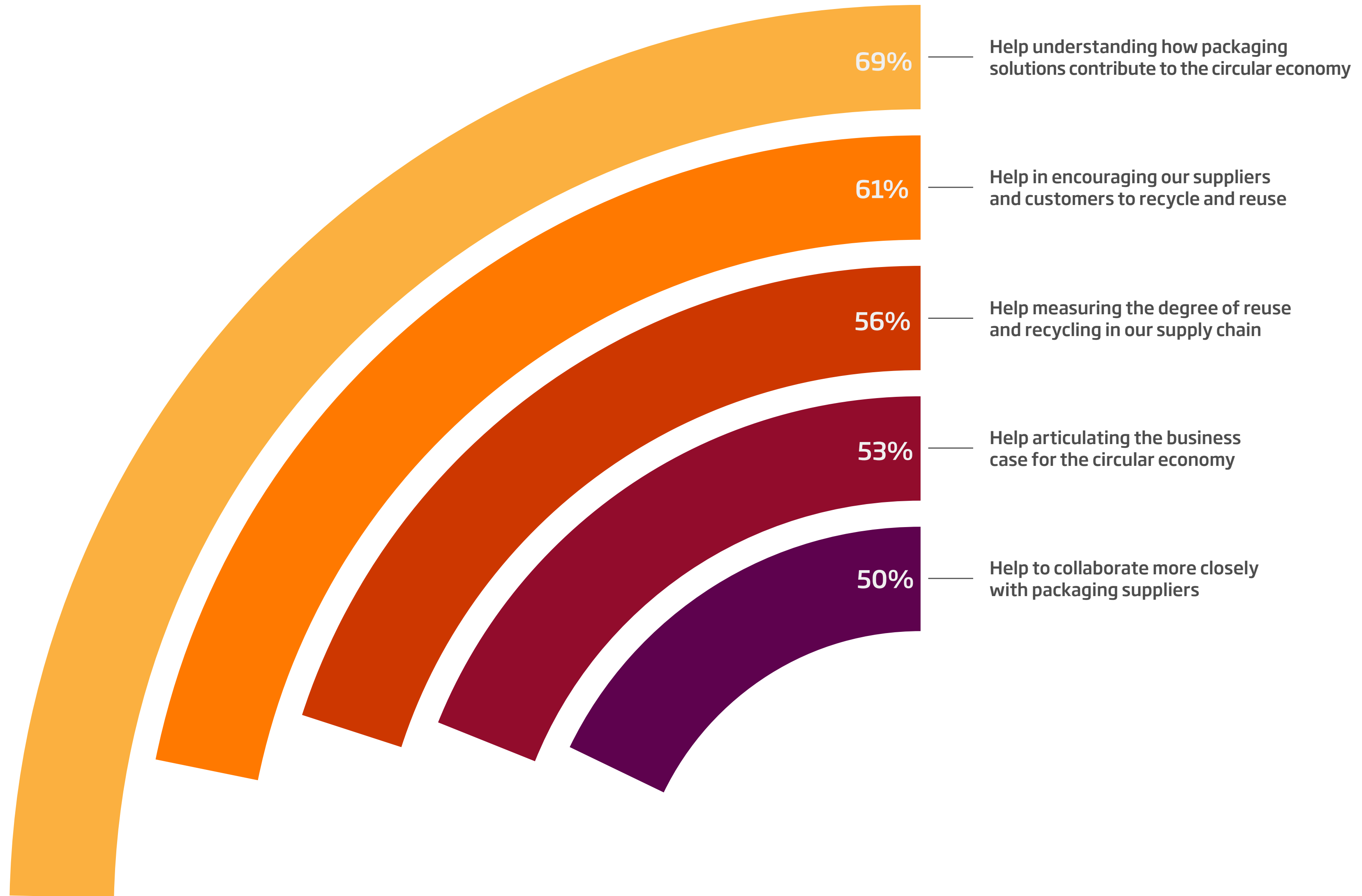
60% have only partially implemented circular economy principles

The circular economy is a vision for the future in which the consumption of finite resources is kept to an absolute minimum or eliminated altogether. Instead, new materials are produced through recycling and the use of regenerated natural resources, with goods and materials reused more times by more people and for extended periods of time.

FIGURE 1

WHILE BUSINESSES ARE COMMITTED TO THE CIRCULAR ECONOMY, THEY NEED HELP TO APPLY IT TO THEIR SUPPLY CHAIN

Seven in ten (**69%**) respondents say they need help understanding how packaging solutions can contribute to circularity, **61%** need help encouraging suppliers and customers to reuse and recycle.



More focus on the impact of packaging materials

Supply chain managers will need to look at how their packaging supports a **circular** approach. Providers can build this into their design reports – examining every aspect of packaging materials, including related emissions, transportation costs, ease of reuse, recyclability, etc.

These attributes should also be reflected in marketing collateral related to packaging, giving talking points and proof, showing how packaging helps brands meet their **environmental** commitments.

PHOTO: 2022 PEOPLEIMAGES.COM, YURIA / SHUTTERSTOCK



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Want to know more?

This report is a concise summary of the full optimisation report. To find out more about this study and its findings, you can download the complete version online. Go to <https://www.dssmith.com/media/our-stories/2023/1/supply-chain-optimisation>.

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