

Trend Drivers

Consumers are becoming more environmentally conscious and are demanding sustainable products across all CPG categories.

- Milk, yogurt, coffee, salty snacks, and bottled juices all had the largest share (more than 18%) of sustainability marked products.
- Laundry care and floor cleaner has less than 5%

Consumers want sustainable packaging and are willing to pay more for sustainable products.

- More than 50% of consumers would pay extra for goods that are environmentally friendly.
- In 2019, consumers spend ~\$140 M on sustainable, fast moving consumer goods.

Younger consumers and consumers with higher income levels are more likely to make environmentally responsible choices.

- 79% of millennials are loyal to companies that care about their effect on society.

Looking Ahead

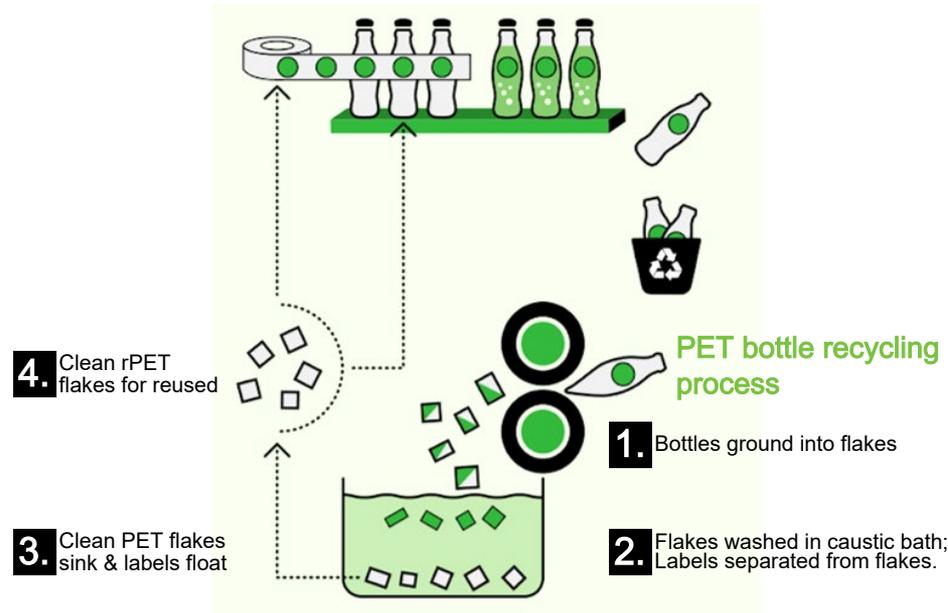
- Sustainability is a huge topic for most industries right now and it shows no sign of slowing in the next 5-10 years.
 - Consumers are putting pressure on brands, retailers, suppliers, and manufacturers to become more environmentally friendly and offer more sustainable products
 - Brands are making sustainability commitments/goals for the next 5+ years
 - Regulations are driving this change in some areas (Europe) but are less involved in other areas (United States)
 - In North America, we can expect to see a change in infrastructure (recyclers, haulers, collection etc.) to efficiently make the circular economy work

Enabling Recycling - CleanFlake[™] Technology

CleanFlake[™] Adhesive Technology

Separation Process

Improves rPET yields by leaving no adhesive residue on the resulting PET while maintaining shelf appeal



- Avery Dennison's CleanFlake[™] portfolio advances the recycling of PET containers.
- Features clear or white film facestock anchored by an adhesive which adheres to a PET bottle until the cohesive bond is broken at the recycler.
- With CleanFlake, facestock and adhesive cleanly separate from the PET flake resulting in pure PET flakes, the conservation of virgin PET resources, and less landfill waste.
- The CleanFlake[™] portfolio conforms to the APR Design for Recyclability[™] Guideline
- Solutions available across all regions

HDPE Recycling Streams



Pigmented Stream

Label should stay with the container and become part of the recycling stream



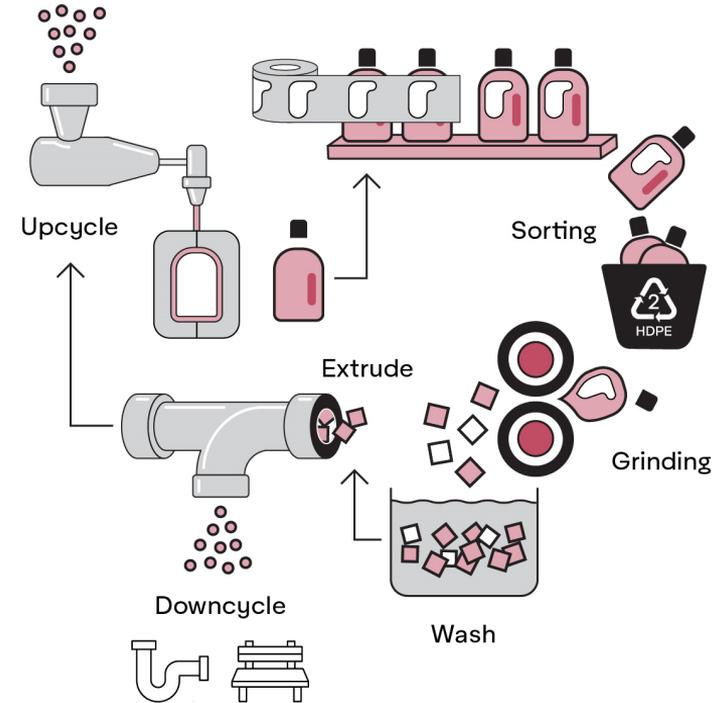
Natural Stream

Label should remove from the container

with inks + adhesive and be blown off in the elutriation step

HDPE Recycling

- In order to be recycled, HDPE bottles must first be sorted by resin color (natural vs pigmented)
- Once separated, different wash temperatures will be used depending on the grade of resin desired
- During a **hot wash** the goal is to remove anything foreign to the HDPE bottle (decoration, inks, coatings, etc)
 - Ex. Food grade would go through a hot wash
- During a **cold wash** everything is recycled together
- After the extrusion process, the resin will either be downcycled into park benches etc or upcycled back into bottles
- Desired resin grade will depend on the application



Weber[®]
Packaging Solutions