

Packaging and Packaging Waste Regulation

// What you need to know and expert Q&A



Big Ideas
hosted by Amcor

31 January 2023

Your presenters today



Gerald Rebitzer
Sustainability Director



Delia Harabula
Sustainability Advocacy Lead



Trevor Davis
Sales & Marketing Director for
Coffee, Pet Care & Speciality



Big Ideas
hosted by Amcor

31 January 2023

What we'll discuss

- ▶ Packaging & Packaging Waste Regulation (PPWR) explained
- ▶ What does it mean for brands?
- ▶ Answering your questions: Q&A

Amcor at a glance



At home in homes around the world

- ~ 45,000 colleagues
- ~ 220 locations across 40+ countries



What we make

- Flexible packaging (plastic, paper, aluminum)
- Rigid packaging
- Folding cartons
- Capsules



Trusted by customers large and small



We produce packaging for more than **4,000** global, regional and national brands



Regulation to reduce packaging pollution & build a circular economy

► The PPWR is proposed EU legislation that

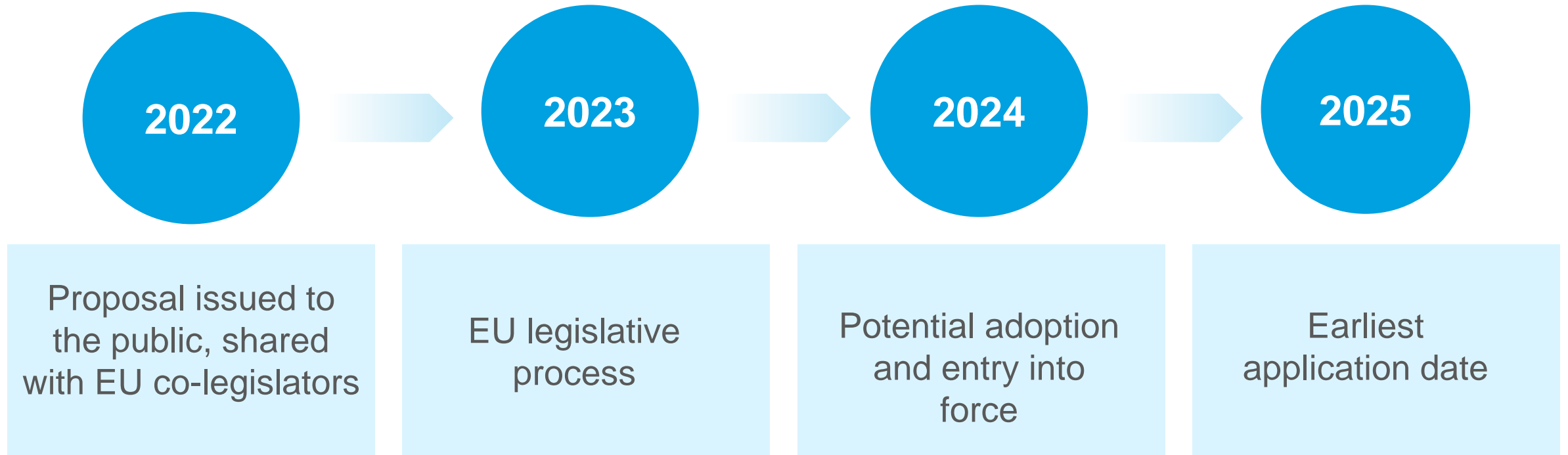
- 1) sets packaging waste reduction targets
- 2) sets design requirements for packaging
- 3) sets requirements for “eco-modulation” of Extended Producer Responsibility (EPR)

► Currently the PPWR is a proposal

► Once approved, it will apply throughout the European Union



PPWR process timeline



Main PPWR proposed requirements for packaging

- | | |
|---|--|
| ✓ | All packaging must be recyclable by design and recyclable at scale |
| ✓ | Plastic packaging must use a minimum percentage of PCR content |
| ✓ | EPR will be eco-modulated, meaning lower fees based on recyclability & PCR content |
| ✓ | New light-weighting requirements |
| ✓ | Labelling requirements |
| ? | New compostability approach |
| ? | New reuse targets |
| ? | New restrictions on packaging formats |



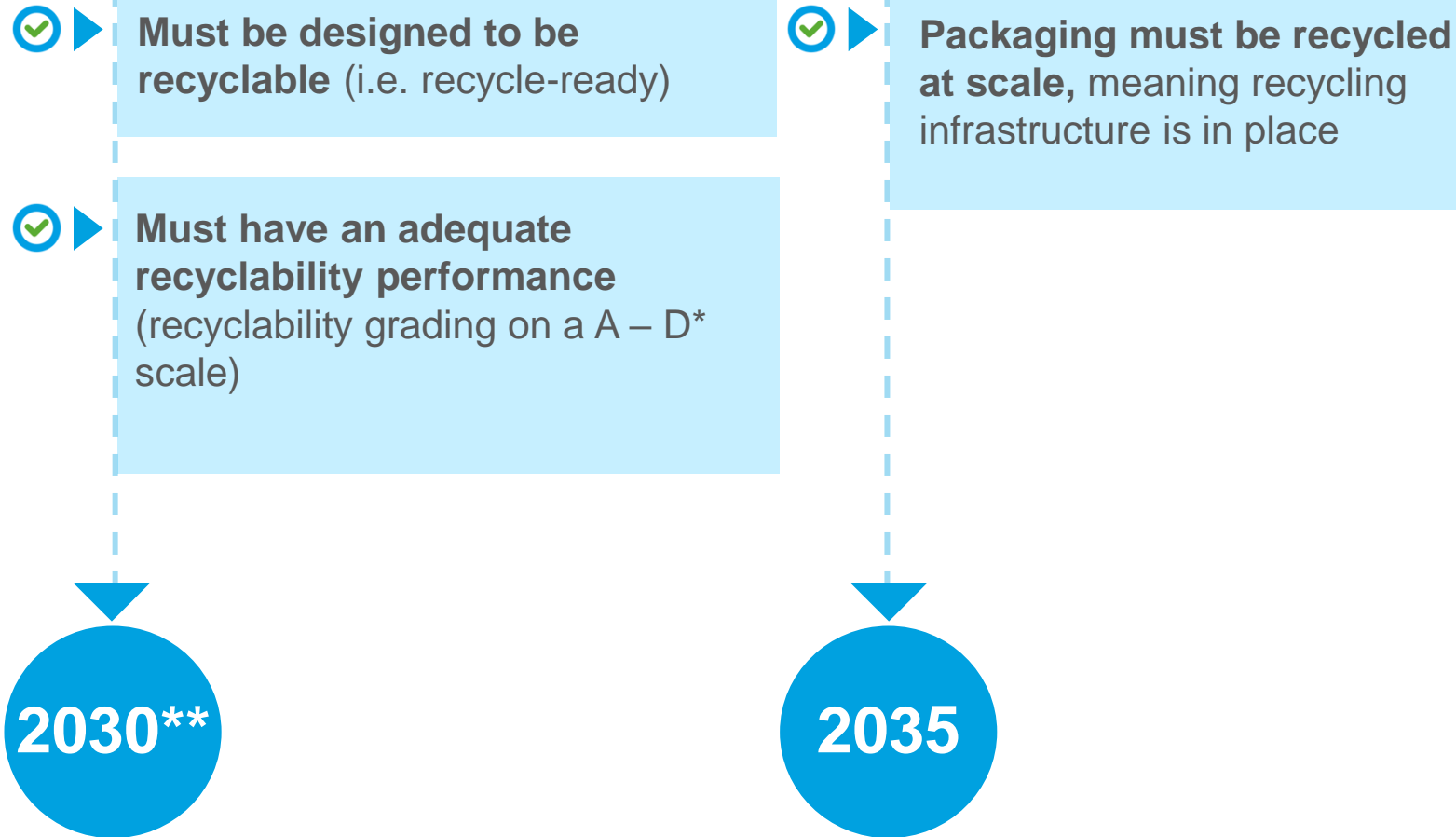
You asked



When would my packaging need to meet the PPWR requirements?

Proposed deadlines for recyclability

Requirements for all packaging materials

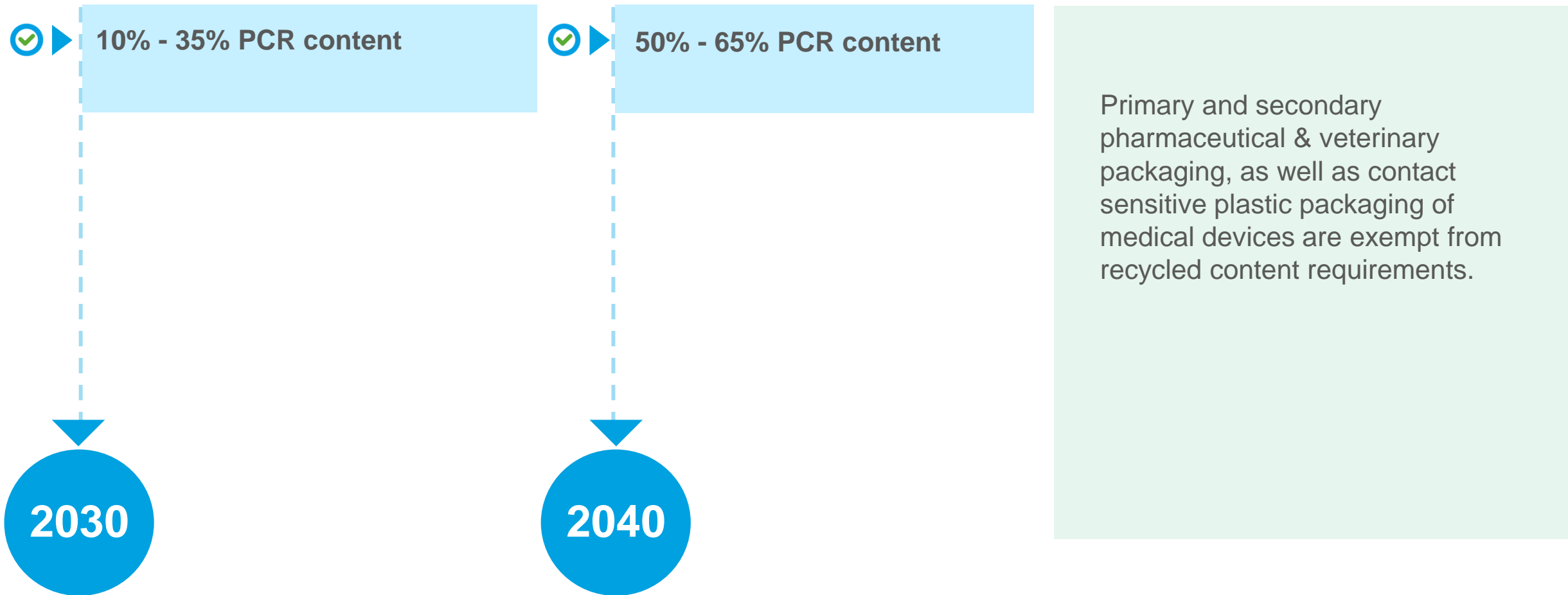


*Grade E = inadequate
Packaging with a recyclability grade < 70% cannot be placed on the EU market

**Primary pharmaceutical packaging and contact sensitive plastic packaging of medical devices are exempt until 2035

Proposed deadlines for PCR content

Requirements for all* plastic packaging



Rewards for early adopters

Eco-modulated EPR

✔▶ Packaging that is **designed to be recycled** will have lower EPR fees

✔▶ Packaging that **contains PCR content** will have lower EPR fees

2025



Extended Producer Responsibility (EPR) is a financial contribution paid by **brand owners** for the packaging of their products, to pay for the net costs of collection, sorting, and recycling.

You asked



Which packaging meets the requirements for “designed for recycling?”

Design for recycling guidelines for flexible packaging

Recycling stream	Preferable	Minimum criteria	Comments
Aluminium stream	>80% aluminium content	>50% aluminium content	
Paper stream	Outer layer is paper ----- >80% fibers content	Outer layer is paper ----- >50% fibers content	Includes further criteria; based on 4evergreen design guidelines
Polyolefins (PE, PP, PO) stream	>90% mono-PP or mono-PE ----- Density <1 g/cm ³ ----- No PVC, PVDC, fibres, aluminium foil, PET ----- Other polymers <5% each (e.g. EVOH, PA)	>80% polyolefins ----- Density <1 g/cm ³ ----- No PVC, PVDC, fibres, aluminium foil, PET ----- Other polymers <10% each (e.g. EVOH, PA)	Based on the CEFLEX Design for Circularity Guidelines (2020) ----- Includes further criteria ----- Exceptions can be granted based on certified recycling tests (e.g. via PRE/RecyClass, cyclos-HTP)

You asked



If the PPWR means a move to mono-material packaging, what are the options to replace multi-material films?

Innovations in recyclable PE and PP mono-material packaging

AMPRIMA® RECYCLE-READY

Mono-PE and mono-PP material for food, coffee and home and personal care applications



AMLITE HEATFLEX® RECYCLE-READY

Mono-PP retort solution for wet pet food, ready meals and baby nutrition



HealthCare™ AMSKY™ BLISTER SYSTEM

Mono-PE based, vinyl-free and recycle-ready blister packaging



Innovations in recyclable Paper packaging

AMFIBER™ PERFORMANCE PAPER

Recycle-ready, high-barrier paper solution for confectionery products



AMFIBER™ PACKPYRUS PAPER BASED WEB

Recycle-ready, thermoformable paper fiber tray for meat and dairy



AMFIBER™ MATRIX RECYCLE-READY BREATHABLE WRAP

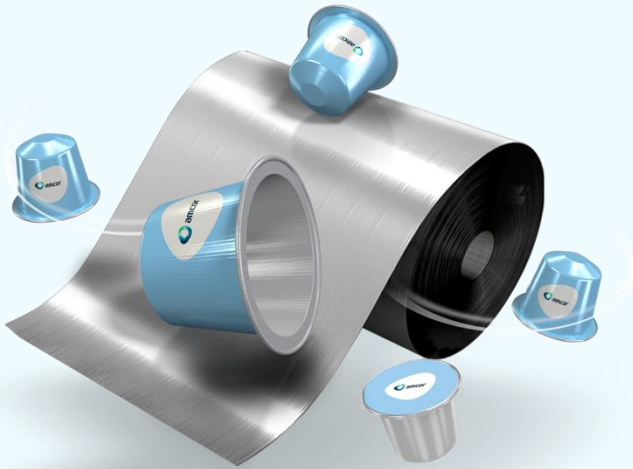
Paraffin-free paper wrap for soft cheese



Innovations in recyclable Aluminium-based packaging

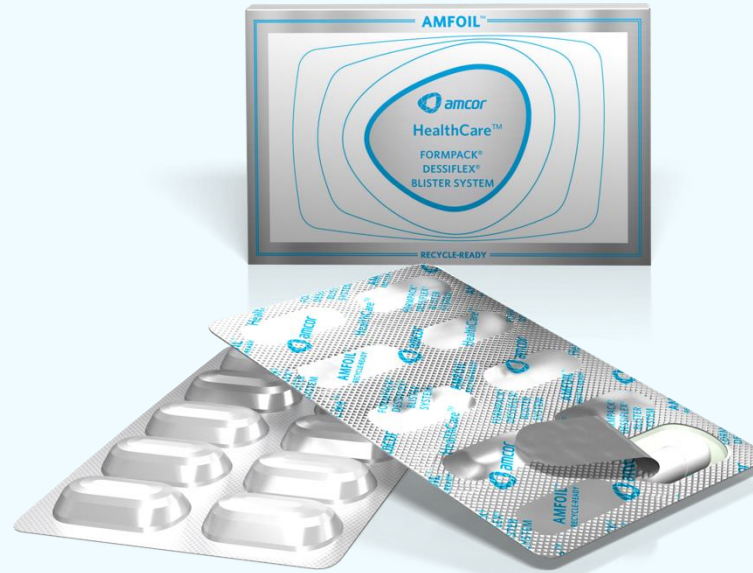
GoSmart™ ALUMINUM FOR CAPSULES

Aluminium material for capsule stamping



FORMPACK® BLISTER SYSTEM

Original cold form blister system, guaranteeing protective barrier properties



STELVIN®

Closure system specially designed for wine



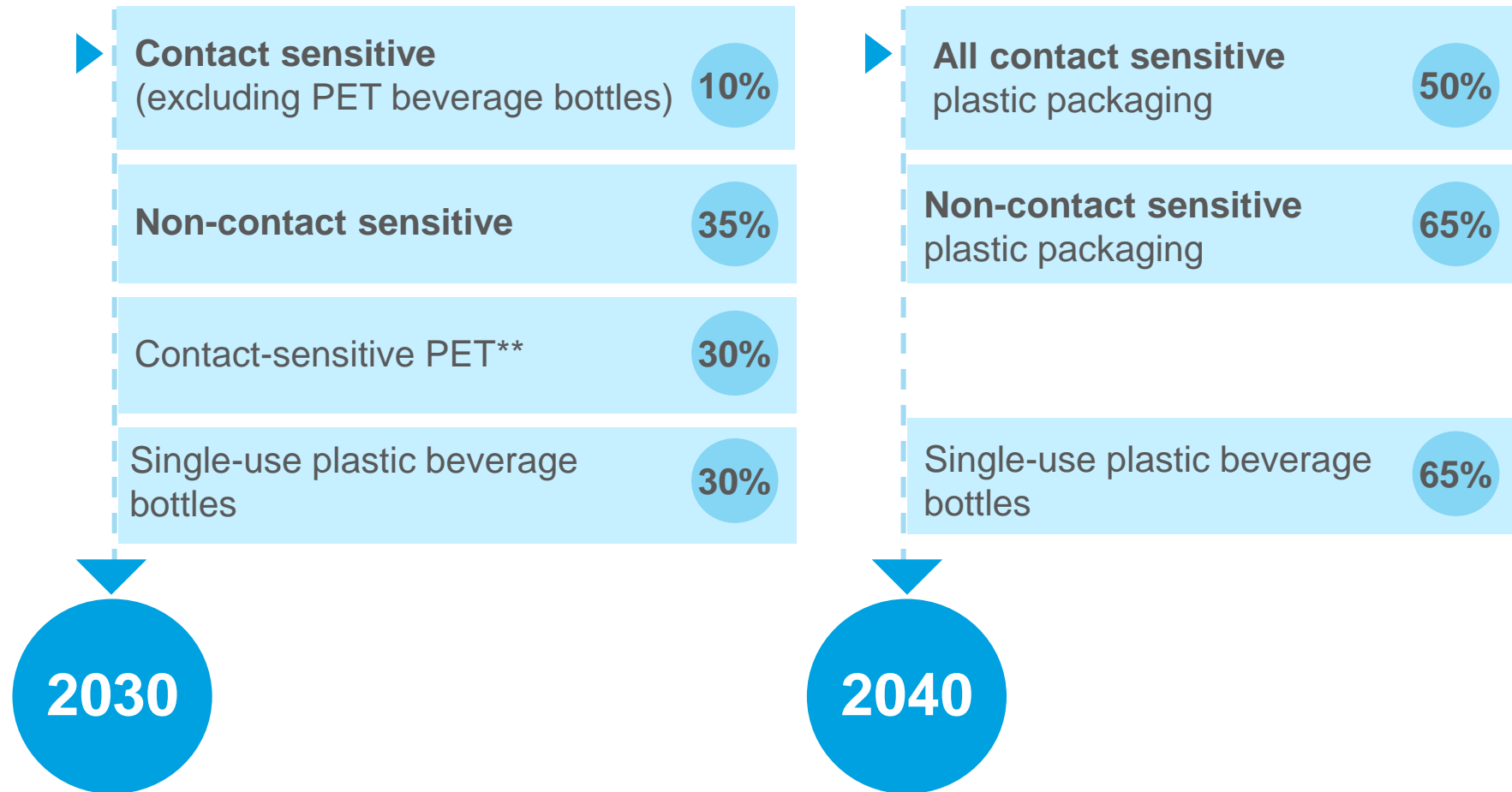
You asked



What are the requirements for PCR content in plastic packaging?

Mandatory minimum % of PCR content for plastic packaging

For each unit of packaging that has a plastic part:



Primary and secondary pharmaceutical & veterinary packaging, as well as contact sensitive plastic packaging of medical devices are exempted from recycled content requirements

You asked



**How can PCR be implemented
for contact sensitive packaging?**

Different PCR solutions for different applications



RECYCLED CONTENT

Mechanical PCR

High quality / high performing mechanical PCR

Chemical PCR

Target applications

Basic home care applications, secondary wrappers

Sensitive home care and some personal care applications

Food and healthcare applications

Availability

Available at scale

Limited quantity

Limited availability, technology scaling up

Contact-sensitive PCR available at scale



Food-Contact Grade

Suited for food, beverage, healthcare, dry pet food and sensitive personal care products.



Drop-in Solution

Limited qualification if same grade from supplier as current.

No change in properties of the end packaging.

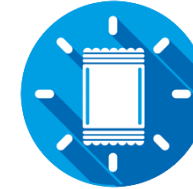


Incentivized by Regulations



Reduces Plastic Tax in Spain.

Can reduce EPR fees with “eco-modulation” per PPWR.



Enhanced brand appeal

Certified by ISCC.



Supports circular economy

Reduces dependency on virgin fossil resources.

Mandatory by 2030

You asked



What fees should we expect for both plastic and paper packaging?

Mandatory eco-modulated EPR as of 2025

Extended Producer Responsibility (EPR) is a **financial contribution paid by brand owners** for the packaging they put on the market to cover the net cost of collection, sorting, and recycling of packaging.

- ▶ Most EU countries already have an EPR system. For those that don't yet, **EPR systems will be mandatory by 2025.**
- ▶ EPR contributions are based on packaging weight and type of material, **ranging from ~ 200 to 2,000+ €/tonne** and applies across packaging materials (glass, metals, paper, plastic, etc.)
- ▶ **Eco-modulation** of EPR fees based on recyclability and recycled content will be **mandatory by 2025** (and is already in place in some countries).



Plastic Tax is not in scope for PPWR

Plastic Tax is different than Extended Producer Responsibility (EPR). It is a tax, and the funds do not necessarily go toward recycling systems.

- ▶ EU countries can, at their discretion, implement a plastic tax. Plastic Tax is **NOT** mandated in the PPWR.
- ▶ Currently the UK and Spain have a Plastic Tax in effect.
- ▶ Several other European countries are discussing a Plastic Tax.



Example of fees in Spain (approximate)



STANDARD STRUCTURE

PET / ALU / PP

Recycle-Ready **NO**

Recycled content **0%**



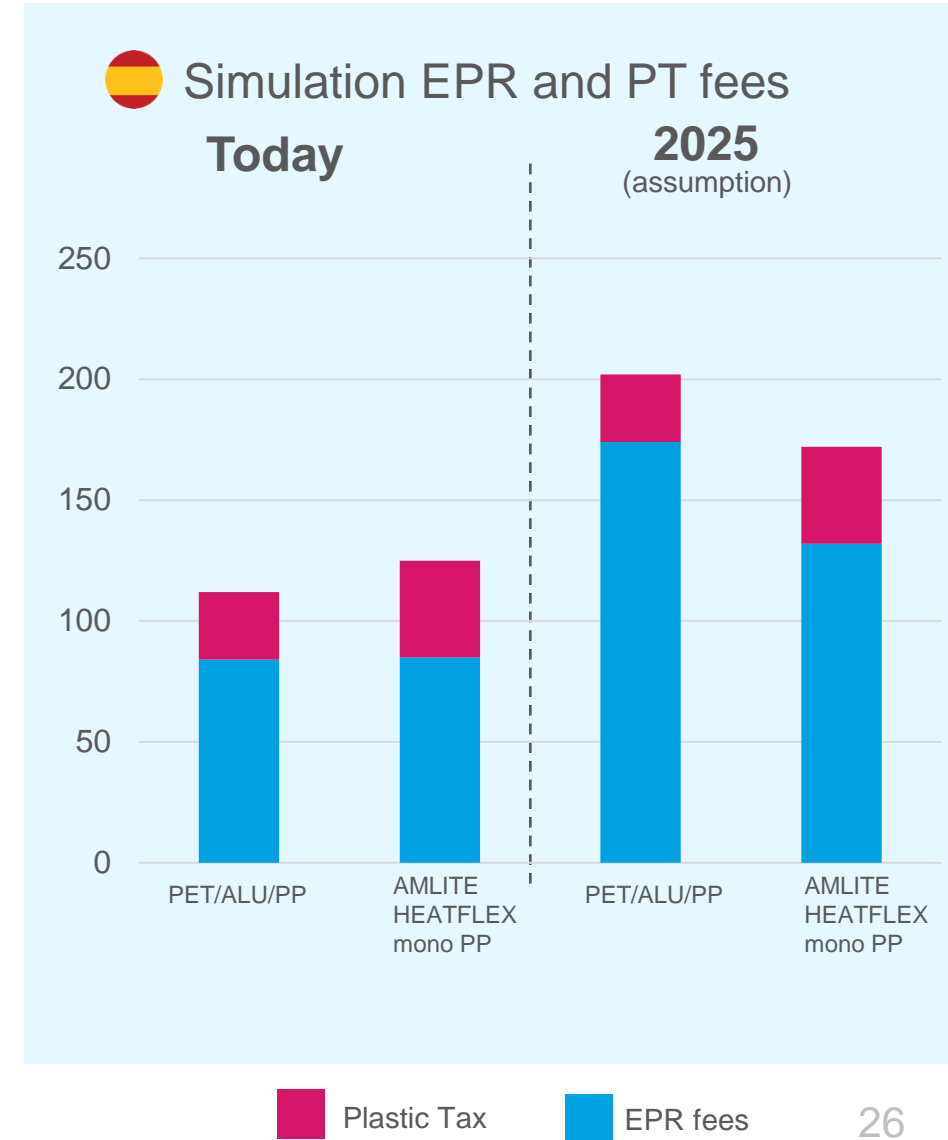
**AMCOR AMLITE HEATFLEX™
RECYCLE-READY**

Mono-PP

oPP / SiOx / PP

Recycle-Ready **YES**

Recycled content **0%**



Example of fees in Spain (approximate)



STANDARD STRUCTURE

PET / PE

Recycle-Ready **NO**

Recycled content **0%**



AMCOR **AMPRIMA®**
RECYCLE-READY SOLUTIONS

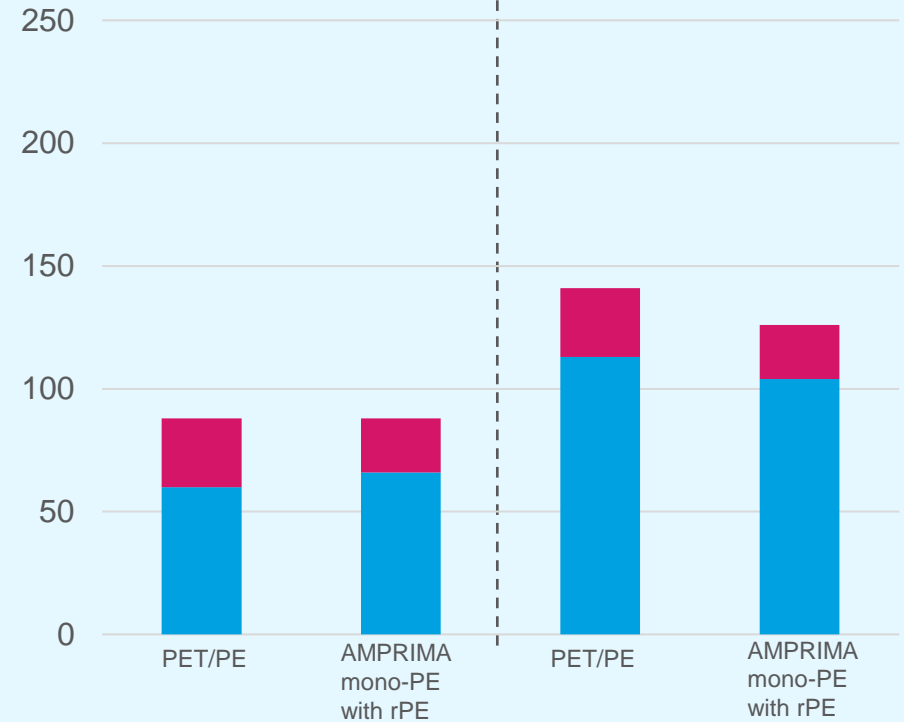
Mono-PE

Recycle-Ready **YES** ✓

Recycled content **30%** ✓



Simulation EPR and PT fees Today 2025 (assumption)



Plastic Tax

EPR fees

Example of fees in Spain (approximate)



STANDARD STRUCTURE

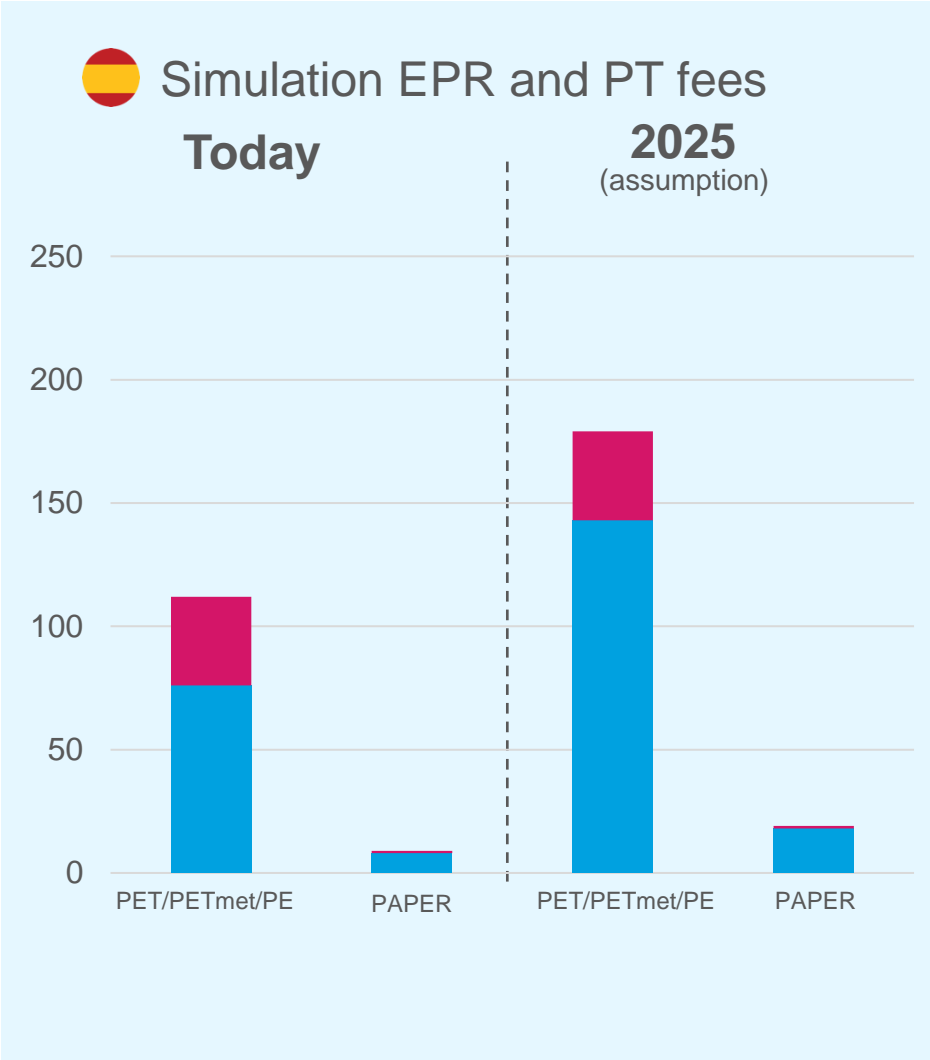
OPET / metPET / PE

Recycle-Ready	NO
Recycled content	0%



AMCOR AMFIBER®
PERFORMANCE PAPER
PAPER

Recycle-Ready	YES	✓
Recycled content	0%	



You asked



What are the “minimization of packaging” requirements in the PPWR?

Minimization of packaging

Packaging waste reduction targets per capita:

-5%

2030

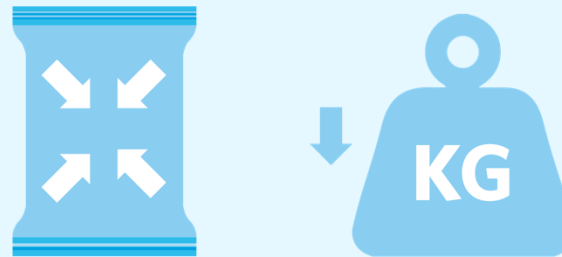
-10%

2035

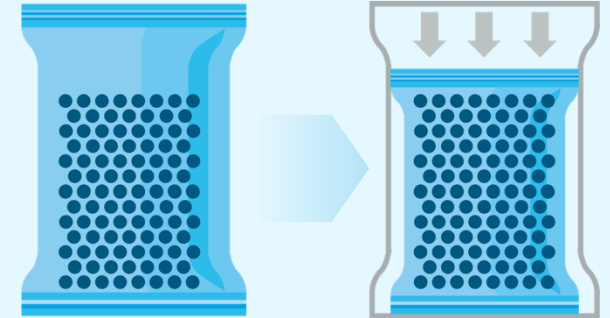
-15%

2040

Packaging **weight and volume to be reduced to the minimum necessary** for ensuring functionality, taking into account the packaging material.



Empty space to be reduced to a minimum for packaging functionality.

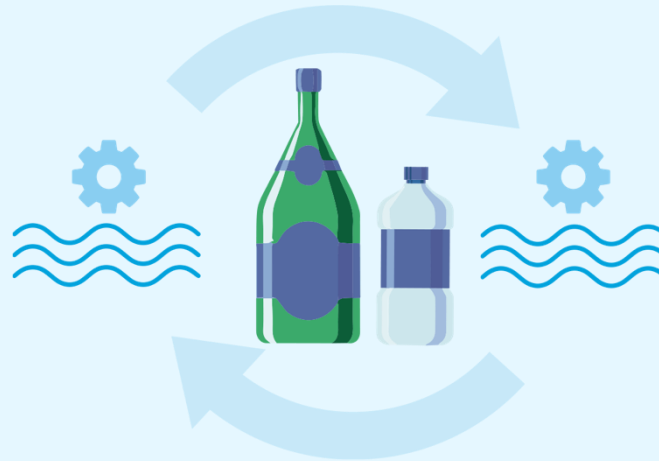


Minimization / elimination of packaging

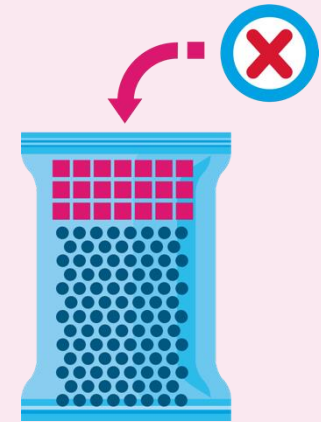
Proposed bans of certain types packaging: e.g. for fruits & vegetables under 1.5kg, HORECA (hotels & restaurants) miniature packaging for sauces, coffee creamer, sugar, shampoos, etc.



Reuse targets for hot & cold beverages, soft drinks, wine, transport & industrial packaging



Minimum necessary filler for space with paper cuttings, air cushions, bubble wrap, wood wool, polystyrene, or other filling materials.



Minimization of packaging case study



LIGHTWEIGHTING

Lightweighting will be incentivized as it helps to meet packaging reduction requirements.



Big Ideas
hosted by Amcor

L'OREAL shampoo refill-pouch



Rigid bottle



AMCOR
AMPRIMA® PE PLUS



Mono-PE refill pouch

75%
less plastic

64%
lower carbon
footprint

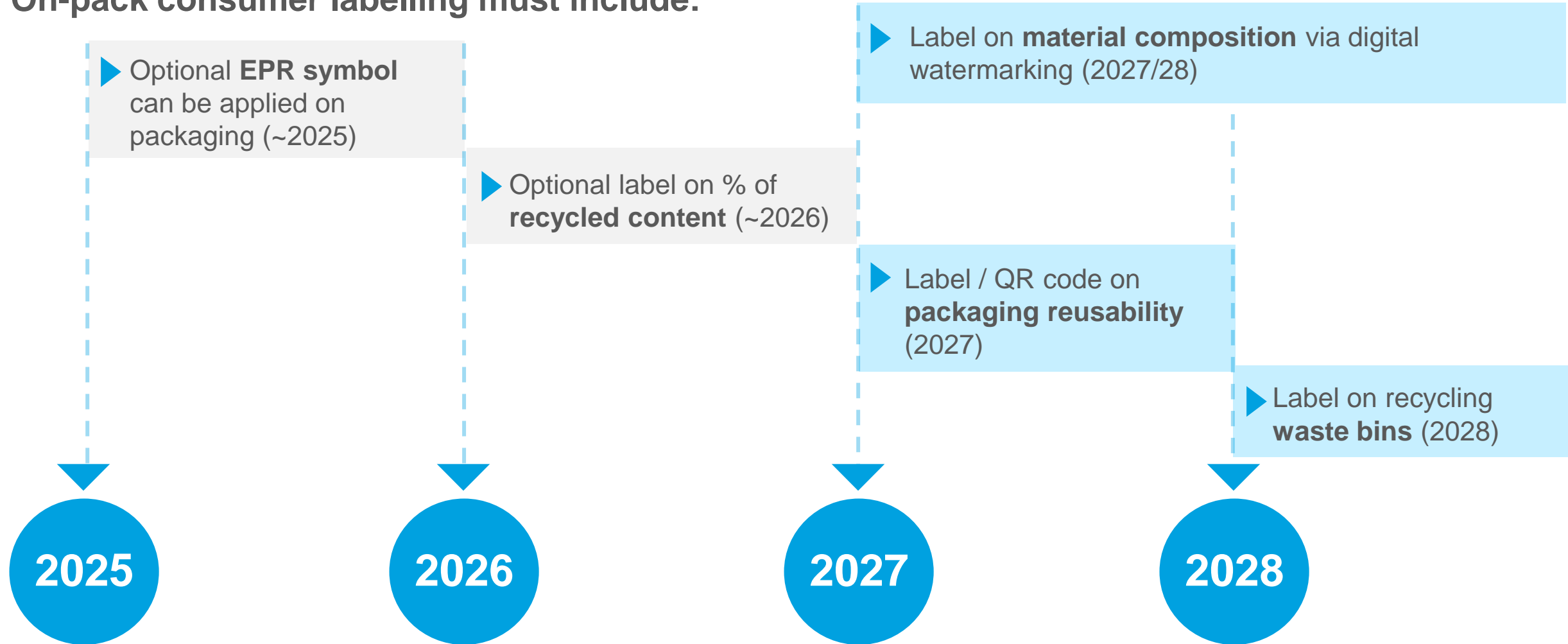
You asked



What are the labelling requirements in the PPWR?

Mandatory consumer labelling

On-pack consumer labelling must include:



You asked



Does the PPWR change
Europe's stance on
compostability?

Shift in approach to compostability

- ▶ The new approach to compostability mandates that **only a few types of packaging should be compostable**, and will be processed in controlled conditions in bio-waste treatment facilities.

Those items are:



Sticky labels attached to fruits and vegetables



Very lightweight plastic carrier bags



Tea bags, and tea and coffee system single-serve units

-
- ▶ Other types of packaging should **NOT** be compostable.



You asked



In conclusion...How can I
get ready for PPWR?

Amcor can help you get ready for PPWR and more

- ✓ Packaging must be recyclable by design and at scale
- ✓ Plastic packaging needs to incorporate PCR content
- ✓ EPR will be eco-modulated based on recyclability & PCR content
- ✓ New lightweighting requirements
- ✓ Labelling
- ? New compostability approach
- ? New reuse targets
- ? New restrictions on formats

PPWR

- + Bio-based plastics
- + Carbon footprint reduction and life cycle assessment of packaging

**Future EU
legislation,
e.g. on climate**

We have **options** to support your packaging sustainability journey

Step 1

Understand your current packaging's **carbon footprint impact** using ASSET™



Helps reduce or meet:



Step 2

Move to **recycle-ready** packaging



Step 3

Understand if **paper-based solutions** meet your product and market needs



Step 4

Use **recycled content**



Step 5

Look at additional options – such as **lightweighting**



Step 6

Consider **biobased materials** to further reduce carbon footprint

Questions?

Please type your questions
in the Q&A box

Thank you

Follow our **Big Ideas** webinar series

Sign up to our newsletter for updates and invitations to future events:
www.amcor.com/afemea/newsletter-sign-up

Packaging and Packaging Waste Regulation

// What you need to know and expert Q&A



Big Ideas
hosted by Amcor

31 January 2023