

PRESS RELEASE

Research Shows Food and Beverage Companies Committed to Plastic Reduction, Prompted by Consumer Demand

- *Three of the top five sustainability commitments by businesses involve plastic reduction.*
- *Satisfying consumers' demand for sustainability is a primary driving force for tackling environmental issues.*
- *77% of businesses are willing to accept the cost of implementing sustainable business practices.¹*

Bangkok, Thailand (22 April 2024): Today's food and beverage (F&B) companies are poised to minimise plastic as a favoured² packaging material, as recent research has unveiled that three out of the top five commitments made by business leaders to address sustainability challenges include the reduction of plastic usage.³ Tetra Pak's research examined F&B manufacturers' attitude to sustainability, now and in five years' time.⁴

Half of the surveyed businesses pinpointed consumer demand as the main catalyst behind implementing new sustainable solutions within the manufacturing and processing arena. This echoes the sentiment found in a separate Tetra Pak consumer study on packaging.⁵ It found the intention to buy among almost three out of four respondents (74%) would increase if a brand talked about environmental topics,⁶ while 42% believe that an "environmentally sound package" justifies a higher price,⁷ providing the industry with a reassuring case for adopting a business model that reduces environmental impact.

77% of businesses expressed a willingness to accept cost-related trade-offs associated with the implementation of sustainable manufacturing and processing solutions,⁸ despite the industry facing ongoing macro-economic challenges. This insight follows COP28, which saw

¹ To the question "Please evaluate the willingness of your company to accept various trade-offs while implementing sustainable solutions within manufacturing/processing area" 41% responded they will definitely accept cost-related trade-offs, 36% will probably accept cost-related trade-offs, 10% neither won't nor will accept, 11% probably won't accept, 3% definitely won't accept.

² According to the UN, 36 per cent of all plastics produced are used in packaging, [source](https://www.unep.org/interactives/beat-plastic-pollution/#:~:text=Approximately%2036%20per%20cent%20of,landfills%20or%20as%20unregulated%20waste) <https://www.unep.org/interactives/beat-plastic-pollution/#:~:text=Approximately%2036%20per%20cent%20of,landfills%20or%20as%20unregulated%20waste>

³ The top five commitments were reducing dependency on plastic; reduction of plastic packaging demand in food delivery; reduction of food waste in F&B plant; reduction of plastic packaging waste in F&B value chain; logistics improvement across value chain.

⁴ Tetra Pak's business-to-business research on Planetary Challenges and their impact on F&B manufacturers' operations has been run in 2023, based on a combined methodology - quantitative research panel and qualitative component (expert interviews). Qualitative research included approx. 20 interviews conducted with Tetra Pak's internal experts plus 12 with the F&B manufacturers, distributed across all regions that are within the scope of the project. Quantitative research comprised 346 interviews across 19 markets (Italy, Poland, Spain, France, Germany, UK, Australia, India, South Africa, Mexico, Argentina, Brazil, China, Vietnam, USA, South Korea, South Arabia, Turkey, Japan).

⁵ Tetra Pak's latest Sustainable Packaging consumer research, run in 2023, comprised a total of 14,500 consumer interviews based on an online questionnaire in 29 markets: Germany, France, UK, Italy, Belgium, Denmark, Netherlands, Poland, Portugal, Romania, Spain, Sweden, Saudi Arabia, Turkey, South Africa, Egypt, China, India, Japan, Australia, Indonesia, Philippines, South Korea, Vietnam, Brazil, USA, Mexico, Colombia, Argentina

⁶ To the question "If a brand communicates/talks about environmental topics, your intention to buy the brand would..." 74% responded it would increase. Base TOTAL 2023: 14539.

⁷ To the question "Which of the following sentences better fits with your thought about an environmentally sound packaging?" 42% responded that a product in an environmentally sound packaging is worth a higher price than a product in a standard packaging.

⁸ To the question "Please evaluate the willingness of your company to accept various trade-offs while implementing sustainable solutions within manufacturing/processing area" 41% responded they will definitely accept cost-related trade-offs, 36% will probably accept cost-related trade-offs, 10% neither won't nor will accept, 11% probably won't accept, 3% definitely won't accept.

many private sector stakeholders committing to sustainability targets and initiatives, including Tetra Pak's action-oriented approach towards food systems transformation.⁹

Businesses' focus on environmental impact is seemingly at a tipping point, with the urgency to adopt practices that decarbonise the world's food systems predicted to surge by 10% in the next five years, from 49% to 59%. When asked how packaging and processing suppliers can contribute, 65% of companies identified the importance of new product developments, confirming the critical role played by innovation in our global fight against climate change.

Gilles Tisserand, Vice President Climate & Biodiversity, Tetra Pak, comments: "The food and beverage industry is at a critical moment, rethinking its way of doing business to help address the climate emergency and dealing with the inevitable impact this has on their operations and solutions. They are looking to suppliers to help them thrive in an increasingly competitive market, and we remain committed to playing our part, keeping the innovation engine running to develop new research, collaborative ecosystems and product offering. Our innovation pathway is driven by renewability and recyclability, ensuring the decarbonisation and circularity of materials and addressing the need for sustainable food packaging."

Patinya Silsupadol, Head of Sustainability, Tetra Pak (Thailand) limited, said: "In Thailand, we are proud to be leading the sustainability movement in driving stronger actions that will bring change to the local food and beverage industry. We are committed to working with customers and local stakeholders to identify opportunities where we can collaborate to accelerate the innovation and implementation of packaging solutions that will reduce the impact to the environment. By prioritising plastic reduction and embracing innovative, renewable materials, we are contributing to global sustainability goals and meeting the growing demand for environmentally responsible products in the Thai market."

END

NOTES TO EDITORS

Research methodology

Tetra Pak's business-to-business research on Planetary Challenges and their impact on F&B manufacturers' operations delves into the primary environmental issues affecting today's F&B manufacturers and retailers. It encompasses current and anticipated actions to address these challenges, expectations placed on processing and packaging suppliers, all within the context of global efforts to limit global warming to below 2.0 °C.

This research employs a combined methodology, integrating both quantitative research through a panel study and qualitative insights gained from expert interviews. Approximately 20 interviews were conducted internally with Tetra Pak's experts, supplemented by 12 interviews with F&B manufacturers spanning various regions relevant to the study. Quantitatively, the research involved 346 interviews conducted across 19 markets in 2023. These markets include Italy, Poland, Spain, France, Germany, the UK, Australia, India, South Africa, Mexico, Argentina, Brazil, China, Vietnam, the USA, South Korea, Saudi Arabia, Turkey, and Japan.

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⁹ <https://www.tetrapak.com/about-tetra-pak/news-and-events/newsarchive/tetra-pak-unveils-action-oriented-approach-towards-food-systems-transformation>

ABOUT TETRA PAK

Tetra Pak is a world leading food processing and packaging solutions company. Working with our customers and suppliers, we provide access to safe, nutritious food for hundreds of millions of people in more than 160 countries every day.

With over 24,000 employees worldwide, we commit to making food safe and available, everywhere, and we promise to protect what's good: food, people and the planet.

More information about Tetra Pak is available at www.tetrapak.com/en-th

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