

BEYOND CARBON FOCUS

How do we move beyond a focus on
carbon to achieve a sustainable business
and sustainable products

February 2024

Introduction

In a world where sustainability is increasingly important to business strategies, there is a need to move a sustainability focus beyond a single focus on carbon reduction. This Prominate white paper explores a multiple approach to sustainability, which covers the **United Nations Sustainable Development Goals, the role of social impact in purchasing decisions, effective waste management and the emerging trends in sustainable promotional merchandise.**

In recognising the need for a holistic sustainability strategy, organisations need to position themselves at the forefront of responsible business practices. Prominate has a responsibility to help its clients, licensees and the industry transition to more sustainable practices. Their four key drivers are ESG, Communications, Supply Chain and Training. Together, these drivers form a comprehensive blueprint, exemplifying the Prominate dedication to making a positive impact on both the environment and local and international communities it serves.



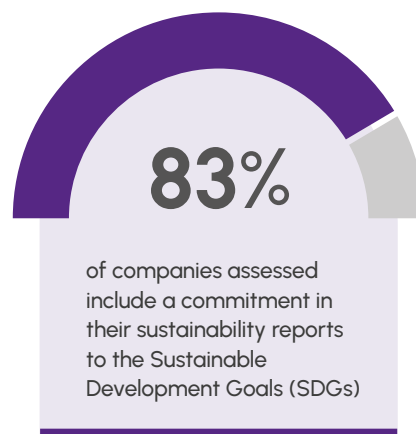
The United Nations Sustainable Development Goals

30% of the Fortune 500 corporations are at the forefront of sustainability by aligning their efforts with the United Nations Sustainable Development Goals (SDGs). Environmental, Social and Governance (ESG) serves as a strategic guide, demonstrating how practices and initiatives contribute to the achievement of specific UN SDGs via the full implementation of the SDG framework. This transparent approach allows stakeholders and clients to track and measure goals and targets and, more importantly, clearly identify their progress effectively. This in turn will support clients in their reporting of the progress against their own ESG or CSR targets.

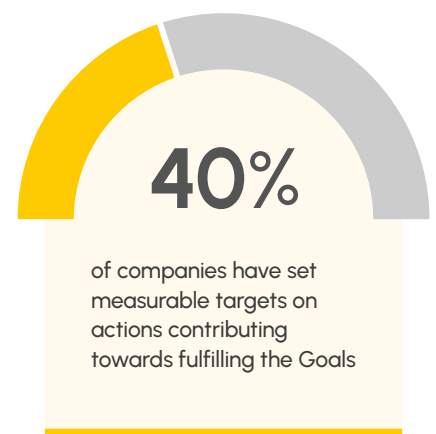
"The future is about collaboration, co-design of systems for longer life, ease of repair, simplicity of treatment, a recognition of the costs of pollution / emissions and building these into the costs of goods and services to drive change, and clarity of messaging and information to help people make better decisions."

DR ADAM READ, Chief External Affairs and Sustainability Officer, SUEZ Recycling & Recovery UK

Taking positive steps towards a better future for our planet is relevant, more so now than ever. Prominate is committed to providing complete transparency to its employees, licensees, supply partners and clients regarding how they align and incorporate the SDG framework into their sustainability roadmap. So, areas such as the Carbon Tracking Tool, verified carbon offsetting, social impact alignments and Sustainable Gifting are areas that support this framework.



Source: GRI and Support the Goals



Source: GRI and Support the Goals

Social Impact vs. Environmental Impact

Recognising and Understanding Impact



Source: Benevity, 2023



Source: Benevity, 2023

Recognising the increasing influence of sustainability beyond environmental considerations, it is acknowledged that there is a pressing need, as companies become communities, to champion social impact as an integral aspect of their business ethos.

In a consumer landscape increasingly characterised by conscientious choices, many purchasers are now evaluating the broader societal implications of their buying decisions. Therefore, organisations need to look to integrate socially responsible practices seamlessly into their business model, reflecting a commitment to ethical sourcing, fair labour practices and community engagement.

These practices cover areas such as:

- **Ethical Sourcing:** Ensure that promotional products are sourced from suppliers who adhere to ethical labour practices. This includes living wages, safe working conditions, access to clean water and sanitation in compliance with international labour standards.
- **Fair Trade Certification:** Choose products that carry product-appropriate Fair Trade certification, indicating that they meet specific social, economic and environmental standards. Fair Trade promotes equitable trading partnerships and contributes to the well-being of farmers and workers.

"Product specific certification by third party accreditors can provide due diligence or other supply chain benefits, but it is the responsibility of the buyer to understand the certification process, level of control and due diligence, and that outcome realities match their needs. Not all certification systems are equal, and certification bodies may provide different levels of due diligence, control and outcomes for different products based on funding, expertise, resource and supply chain complexity."

TIM PILCH, Margery Consulting

- **Community Engagement Programs:** Implement community engagement initiatives that give back to local communities. This could involve donating a percentage of profits to local charities, supporting community development projects or actively participating in community events.
- **Diversity and Inclusion:** Embrace representation in promotional campaigns. Feature a diverse range of models and individuals in promotional materials to reflect a commitment to diversity and inclusivity.
- **Supporting Social Causes:** Align promotional campaigns with social causes. For example, creating products that support specific charities or social issues, with a portion of proceeds dedicated to these causes.



Source: UNEP, 2023



Source: UNEP, 2023

- **Employee Volunteer Programs:** Encourage employees to participate in volunteer programs, allowing them paid time off to engage in community service or support charitable initiatives in person or virtually.
- **Eco-friendly Products:** Offer promotional products that are environmentally friendly and locally sustainable, demonstrating a commitment to both social and environmental responsibility. Be clear and transparent on materials used and the recyclability of the packaging and products.

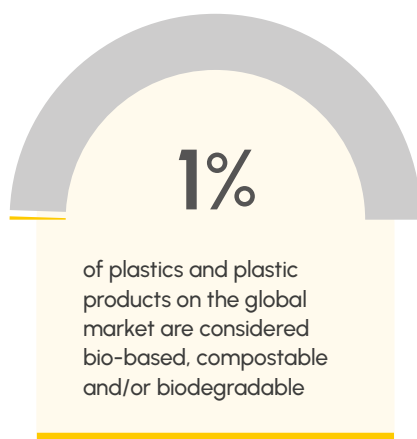
"Consideration should be given to limiting the sale of single-use products while increasing reusable and 'truly' recyclable items."

TIM PILCH, Margery Consulting

- **Education and Awareness Campaigns:** Use promotional materials to raise awareness about social issues and promote positive behaviours. This could include informational brochures, educational materials or campaigns focused on social responsibility and outreach programs.
- **Supplier Code of Conduct:** Implement a supplier code of conduct that outlines expectations for social responsibility. Design and deliver a due diligence process that operationalises the Code of Conduct by monitoring supply chain conditions and supporting suppliers in mitigating areas of risk and actual shortfalls.
- **Support for Diverse and Indigenous Businesses:** Prioritise diverse and indigenous suppliers and businesses, contributing to the economic well-being of smaller, local and impoverished communities and reducing the carbon footprint associated with transportation, as in the Prominate case.
- **Transparency in Practices:** As legislation improves and due diligence takes place, it is imperative to communicate openly and transparently about social responsibility initiatives. This includes sharing information about the supply chain, labour practices and the impact of promotional campaigns on communities.

Waste Reduction

Shifting to Effective Waste Management



Source: European Bioplastics e.V., 2020b

There needs to be a change in thinking away from a narrow focus on carbon reduction to a comprehensive approach that involves effective waste and resource management strategies.

Packaging should be a priority when strategizing waste elimination. Globally the number of sustainability regulations and standards has almost doubled over the past few years. Consumer awareness is increasing with a 2023 study finding that 80% of citizens globally are willing to pay more for packaging that's biodegradable and made of recycled or recyclable materials.

SOURCE: WGSN RECOMMENDS: ON SUSTAINABILITY

Minimising the impact on the environment does need a comprehensive approach that extends beyond carbon emissions. Therefore, the key focus must be on adopting strategies that mitigate waste generation, whilst emphasising the entire life cycle of products.

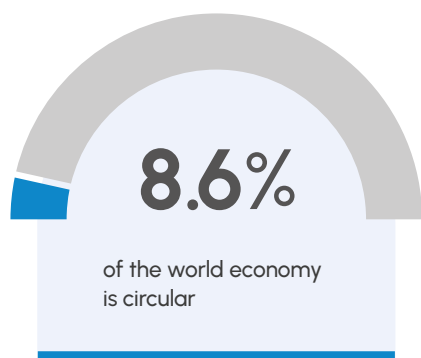
Some examples of these strategies would be:

Design for Durability and Repurposing: Create promotional items with a focus on durability, ensuring they withstand wear and tear for extended use. Additionally, design products and packaging with repurposing in mind, encouraging recipients to find alternative uses for the items rather than discarding them.

Another way to reduce the CO2 emissions and overall environmental impact of packaging is to make it reusable. This will be a key trend for 2029, as it achieves a sweet spot of high-quality forever packaging that is appealing to consumers, balanced with ultra-low impact refills for guilt-free consumption.

SOURCE: WGSN INTELLIGENCE: PACKAGING INNOVATIONS 2029

- **Material Selection:** Choose recyclable, compostable and biodegradable materials for promotional products. Opt for materials that have a lower environmental impact throughout their life cycle, from production to disposal.
- **Minimal Packaging and Eco-friendly Packaging:** Minimise packaging waste by opting for minimal and eco-friendly packaging solutions. Focus equally on recycled content and recyclable materials for packaging, reducing the overall environmental footprint of the promotional items.
- **Recycling Programs:** Establish a recycling program for promotional products, encouraging recipients to return items for proper recycling at the end of their life cycle. This can involve partnering with recycling facilities and collection companies to ensure responsible disposal.



Source: Renewable Matter Giorgia Marino, 2022

- **Educational Initiatives:** Include educational materials with promotional products that inform recipients about sustainable practices, proper disposal methods and the environmental impact of their choices.
- **Upcycling Campaigns:** Run campaigns that encourage recipients to upcycle promotional items into new and creative uses. This not only reduces waste but also fosters a sense of creativity and engagement with the products.
- **Biodegradable or Seed-Embedded Products:** Explore the use of biodegradable materials for certain promotional items, for example promotional items embedded with seeds that can be planted after use, contributing to replanting efforts.
- **Circular Economy Partnerships:** Establish partnerships with suppliers and manufacturers that embrace circular economy principles see Figure 1. This involves designing products with the intention of recycling and reusing materials, contributing to a more sustainable and closed-loop system.

WGSN recommends that organisations commit to the circular design system, which applies the three defining principles of the circular economy: 1. Eliminate waste and pollution 2. Circulate products and materials 3. Regenerate nature. There is no universal strategy for transitioning away from the extractive 'take-make-waste' linear model. But countless opportunities for innovation lie within this system's thinking approach.

SOURCE: WGSN RECOMMENDS: ON SUSTAINABILITY

FIGURE 1: Circular Product Example



Trends in Sustainable Promotional Merchandise

Addressing the Growing Demand



Source: McKinsey and NielsenIQ

There is a rising demand for the supply of sustainable and eco-friendly promotional items.

"An in-depth understanding and stringent control of 'How' something is being made, by 'Who' and with 'What' is necessary. Rethinking 'Why' something is being made is the next and essential part of the process. A product's purpose needs to be accounted for every step of the way, covering its whole life cycle: from conception to usage to disposal. All the stakeholders of our industry working together with this focus is how better Sustainability will be achieved."

FLORENCE MOSNIER, GENERAL MANAGER, IPPAG

The Prominate commitment to its clients is one of staying ahead of industry trends, meeting customer expectations and contributing to a positive environmental narrative. Some of the trends that Prominate is seeing are:

- **Eco-friendly Materials:** The use of sustainable and biodegradable materials, such as organic cotton, recycled plastics and bamboo, is a prominent trend. These materials reduce the environmental impact of promotional items.
- **Reusable Products:** Reusable items, such as tote bags, water bottles and coffee cups, are gaining popularity. These products align with the sustainability goal of reducing single-use plastics, reducing waste and encouraging a more environmentally friendly lifestyle.
- **Seed Paper and Plantable Products:** Seed-embedded paper and plantable products allow recipients to plant the promotional item after use, leading to the growth of flowers, herbs or vegetables. This trend reflects a commitment to regrowth, biodiversity regeneration programs.
- **Upcycled and Recycled Products:** Upcycled and recycled promotional products, made from post-consumer or post-industrial waste, showcase a commitment to reducing waste and promoting a circular economy.
- **Tech and Gadgets with Energy-saving Features:** Sustainable tech and gadgets with energy-saving features, such as solar-powered chargers or devices with low-energy consumption, appeal to environmentally conscious consumers wishing to lower their carbon footprint by using renewable energy products.
- **Customisation with a Purpose:** Customising promotional items with a purpose, such as incorporating the company's sustainability goals or promoting a specific cause, adds value to the merchandise and aligns with consumer preferences.

- **Carbon Offsetting Programs:** Some companies are incorporating carbon offsetting into their promotional merchandise initiatives. This involves calculating the carbon footprint of the production and distribution process and investing in projects that reduce or capture an equivalent amount of carbon via carbon credit purchasing.

"Although carbon has been a great focal point for decision-making and policy development in recent years it cannot be the sole focus for sustainability in the coming decade. Simply becoming carbon neutral will not reduce resource risks or enhance biodiversity, both of which could undermine life on planet earth if we continue to mismanage them."

DR ADAM READ, Chief External Affairs and Sustainability Officer, SUEZ Recycling & Recovery UK

- **Minimalist and Functional Designs:** Minimalist and functional designs that prioritise simplicity and utility contribute to reducing material waste and emphasising longevity. Quality over quantity is a key principle in sustainable promotional merchandise.
- **Packaging Innovations:** Sustainable packaging solutions, such as compostable, recycled materials and recyclable designs, are becoming integral to sustainable promotional merchandise. Minimal and plastic-free packaging is gaining traction due to the need for a reduction in single-use plastics and an increase in a circular approach to materials.
- **Digital and Virtual Merchandise:** With the rise of virtual events and remote work, digital and virtual merchandise, such as e-gift cards or online experiences, is emerging as a sustainable alternative to physical products.
- **Educational Campaigns:** Promotional merchandise is being used to raise awareness and educate consumers about sustainability issues. Items that convey a message or information about environmental conservation are increasingly popular.
- **Collaborations with Sustainable Brands:** Collaborations between companies and sustainable brands are on the rise. Co-branded merchandise that combines the values of both entities helps to promote sustainability in a mutually beneficial way.
- **Adding Value to Brands** – Integrating sustainability into promotional strategies is not just about meeting consumer demands; it's also an opportunity to add value to the brand. Sustainability must align with cost considerations, which in turn can enhance the overall corporate brand image.

Conclusion

In conclusion, moving beyond a singular focus on carbon is essential for businesses navigating the complex landscape of sustainability. The Prominate holistic approach, encompassing the UN SDG framework, social impact considerations, waste reduction and trends in sustainable merchandise, positions the company as a leader in environmentally and socially responsible promotional solutions. There is a multitude of ideas and actions that can be taken by any organisation to support the focus away from just carbon areas, as shown this white paper.

As businesses increasingly recognise the interconnectedness of environmental and social issues, it is key that organisations commit to a comprehensive sustainability strategy that not only aligns with the evolving expectations of consumers but also sets a standard for the industry that they operate in.

By showcasing that environmental responsibility, social impact, waste reduction and staying attuned to trends can work together in a harmonious and profitable business model, Prominate is not just promoting a product but leading a paradigm shift. In this new era of corporate responsibility, organisations have to adopt and show the transformative power of a holistic sustainability strategy. This will hopefully inspire others to follow suit and collectively pave the way for a more sustainable and equitable business landscape.



This paper has been co-authored by Tina Fegent (FCIPS) and Prominate Global.

Tina Fegent

Tina Fegent is a global marketing procurement consultant with 30 years' experience. She was one of the first to work in marketing procurement and set up teams at Cellnet (VMO2), SB (Haleon) and Orange. She then worked as a Commercial Director (agency side) at Grey Advertising and then Lowe's. This gave her a unique insight into both sides of the client-agency relationship and how to get the best outcome for all parties. She now runs her own marketing procurement consultancy, working with clients such as innocent, Primark, Hovis and SSE to ensure that their marketing procurement strategies, operations, teams and agencies are working successfully together. She mentors and trains many in marketing procurement as well as being the Chair of the CIPS Marketing Procurement Group.

Prominate Global

Prominate is a global promotional program specialist that creates innovative promotional experiences for brands and their customers. Prominate works with the world's best brands, successfully increasing brand awareness and brand loyalty and delivering ROI.

With over 100 offices located around the world, the Prominate team delivers global and regional promotional material solutions across the automotive, pharmaceutical, manufacturing, entertainment, banking, construction and FMCG sectors.

Operations are driven by speed, agility and employing effective marketing procurement strategies, utilising local expertise, customised program solutions and advanced proprietary technology.

Prominate recognises that the future of the world is in all our hands and ensures that the supply chain is transparent and sustainable, aligned to and monitored against the UN Global Sustainable Development Goals.

For more information and case studies on how Prominate is supporting clients to look beyond carbon to achieve a sustainable business and sustainable products, contact Matt Tuck, Global Business Director at matt.tuck@prominate.com.

