



Research paper

Environmental, Social and Governance and the plastic industry how do we go from here.

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Abstract: Addressing plastic pollution is no longer an option for companies seeking to be Environmental, Social and Governance (ESG) ESG-friendly. The imperative to tackle this environmental crisis is increasingly shaping consumer preferences, investor decisions, and regulatory frameworks. By taking concrete steps to reduce plastic waste, companies can enhance their reputation, reduce risks, and unlock innovation opportunities.

Embracing sustainable practices and actively working towards a plastic-free future will not only benefit the environment but also contribute to long-term business success in the evolving ESG landscape.

Keywords: Environmental Social and Governance, Plastic, environmental crisis, sustainable practices, FeelGood

Introduction:

Environmental, social, and governance (ESG) refers to a set of standards for a company's behavior used by socially conscious investors to screen potential investments. Environmental criteria consider how a company safeguards the environment,

including corporate policies addressing climate change, as an example.

The use of ESG indecision-making and business strategies contributes to effective due diligence and a better investment decision for the company as well as relevant stakeholders. The companies which fall under the recycled plastic industry have been transitioning and addressing their sustainability progress and agenda.

Rising usage of consumer electronics has increased the demand for recycled plastics in electrical & electronics and packaging applications and this has boosted the market growth. These companies have a huge impact on the environment as the main intention and objective for the company is to reduce plastic and implement the usage of recycled plastic rather than single-use plastic. Integrating a circular business model has been one of the primary agendas for this segment. Companies have flourished in the innovative space of treating hazardous waste like medical waste and sharp waste. As waste treatment is a primary operation for these companies, workers get exposed to hazardous and non-hazardous waste. Stakeholders have been

raising concerns about health and safety aspects for workers due to these exposures.

The United Nations' Sustainable Development Goals (UN SDGs) is a comprehensive framework that helps companies in this market obtain a perspective on the impact of their products and operations on ESG parameters.

ESG Trends

The main ESG trends for this segment fall under both environmental and social aspects; starting with the circular (SDG 13- Climate Action) business model, most of the companies are in coherence with reducing plastic waste and increasing the consumption of recycled plastic. In 2021, Shred-it had collected around 1.1 billion pounds of shredded sorted office paper. Shred-it's recycled content avoided the necessity to harvest 9 million trees. Moreover, the material used to manufacture Shred-it document collection consoles features 100% recovered and recycled fibers. The document destruction transport bins used in transporting secure information for destruction during collection are molded from 100% recycled HDPE plastic.



ESG Challenges

One of the main challenges for the recycling industry is the Health and Safety of workers,

this segment faces its own set of unique hazards. Hazards which are ranging from common negligence during maintenance to harmful chemical and biological exposure. objects (metal or wood shards, broken glass or nails), Waste biological substances have caused various diseases and health issues for workers. As a domino effect, sorting and segregating the waste has also been a critical challenge because of the presence of hazardous waste.

Growth of the Recycled Plastic Market

The recycled plastics market has a huge potential to mitigate damage caused to the environment. This theme has a huge space of innovation and infrastructure, moreover supports sustainability throughout its operation. Industries under this theme face challenges which can be sorted with better management strategies supporting a sustainable future. The global recycled plastic market has been valued at USD 47.6 billion , companies are expected to have a compound annual growth rate of 4.8% by 2030.

The measure of transparency

Responsibility. Sustainability. Diversity. A new business environment needs new thinking. One that infuses ESG metrics right through all areas of your operation and creates maximum transparency. With the right combination of data and disclosures, this is what ESG is about.

Strategy led action plan

ESG is more than good intentions. It's about creating a tangible, practical plan that achieves real results. Success is not about climate change, diversity, and disclosures alone.



Plastics are Taking Over

Consumers have started to become more conscious of the negative impact that plastics have on the environment, with many preferring brands that have packaging that is biodegradable. Policy makers around the world have also proposed large-scale actions to ban plastic shopping bags and plastic straws. Likewise, many companies have made efforts to reduce their plastic waste by adopting ESG policies and focusing on their “plastic footprint”, which is essentially a measurement of how much plastic a company uses and where that plastic came from. Whether it’s from virgin feedstock or recycled/plant-based sources, the type of plastic used in packaging products is becoming more relevant than ever.

In the past, it was not common for companies to really know how much plastic

is used in their packaging; however, with plastic waste continuing to be one of the world’s fastest-growing sustainability issues, corporates are putting more effort and strategic consideration from an ESG perspective. As such, many companies have been striving to reduce its plastic waste by rolling out plastic-focused initiatives. With the goal of reducing virgin plastic use, we have redesigned our packaging material to become more eco-friendly.. plastic bags will be 100% biodegradable. The use of recycled content in plastics is also a mandate under the EPR rules.

The plastic reduction has been gaining momentum as a major element of sustainability and a front-runner of the ESG agenda in terms of helping the environment. ESG report are also a tool to gauge the leadership and thought process and the values of a company as balance sheets show the financial status in India the top 1000 listed companies have to present their ESG reports compulsorily. It will be a matter of few years that this would be extended to other companies too.

Conclusion: ESG is a concept one needs to understand adapt in the long run and will form a basis of reporting in the new normal we live in.