



Closing the Loop: Promoting Plastic Circularity

HUL's CSR Impact Report on 'Waste Free World'

Samhita Social Ventures

2nd Floor, Jagdamba House, Next to Anupam Cinema, Peru Baug, Goregaon East, Mumbai 400063

CONTENTS

1. End-to-end plastic waste management - A critical need	01
<hr/>	
2. HUL's demonstrable plastic circularity model	02
<hr/>	
3. Beyond business: Creating impact through innovation	03
Intervention 1: Islands of Excellence to demonstrate end-to-end waste management	04
Intervention 2: Targeted behaviour change communication on source segregation of waste	05
Intervention 3: Social inclusion of waste workers	06
<hr/>	
4. Conclusion	07
5. Partner collaborations	08
References	09

Acknowledgments

The Impact Assessment report has been developed by Samhita, a social impact and development organisation, to assess the integral role that HUL is playing through its CSR efforts to create a circular plastic economy (Reduce, Reuse, Recycle). A desk review and a comparative study of key related initiatives of FMCG industry competitors were undertaken to benchmark best practices. Then, a combination of three frameworks were used (Systems thinking, Circular economy, Sustainable Marketing) to develop the proposed recommendations on action areas and execution ideas. The Samhita team visited the Material Recovery Facility (MRF) in D-Ward, Mumbai set up by HUL in partnership with Xynteo and conducted interviews with the HUL team driving Waste Free World and their partners. Insights from UNDP and reputed waste management experts have also been incorporated in the report.



End-to-end plastic waste management

A critical need

Plastic is a versatile material that allows for superior product safety and quality with lower greenhouse gas (GHG) emissions in the end-to-end value chain as compared to other packaging materials. Plastic packaging enables low-cost delivery of products to consumers and provides lower-income groups with access to aspirational products. Though high-utility, plastic degrades slowly and ends up accumulating in the environment. Of the 26,000 tonnes of plastic waste generated in India every day, only around 60% is recycled*. Hence, effective management of plastic through circularity (Reduce, Reuse, Recycle) is the need of the hour and calls for widespread collaboration across the value chain.

There has been a rise in voluntary action by businesses and increased regulations by governments to improve plastic circularity. The Honourable Prime Minister, Shri Narendra Modi, has consistently emphasised its importance in his public messages as well as through the launch of projects like the Swachh Bharat Mission and the Atal Mission for Rejuvenation and Urban Transformation (AMRUT). Further, the Government of India notified Guidelines on Extended Producer Responsibility (EPR) on plastic packaging under Plastic Waste Management Rules, 2022 are expected to strengthen plastic circularity and provide a roadmap for businesses to move towards sustainable plastic packaging through recovery, recycling, and reuse.

*<https://www.indiatimes.com/news/india/india-generates-nearly-26-000-tonnes-of-plastic-waste-every-day-40-remains-uncollected-says-government-501097.html>



HUL's demonstrable plastic circularity model

Hindustan Unilever Limited (HUL), has always strived to grow its business while protecting the planet and creating a positive impact on people and the society. As a socially and environmentally responsible business, HUL has always been at the forefront in contributing to the national development priorities. The company is guided by the 'Compass' which is their fully integrated business strategy that lays the pathway for delivering superior value to all its stakeholders. It helps realise the vision of being the leader in sustainable business. In October 2019, HUL had set targets to build a plastic circular economy to ensure that plastic waste is effectively managed.

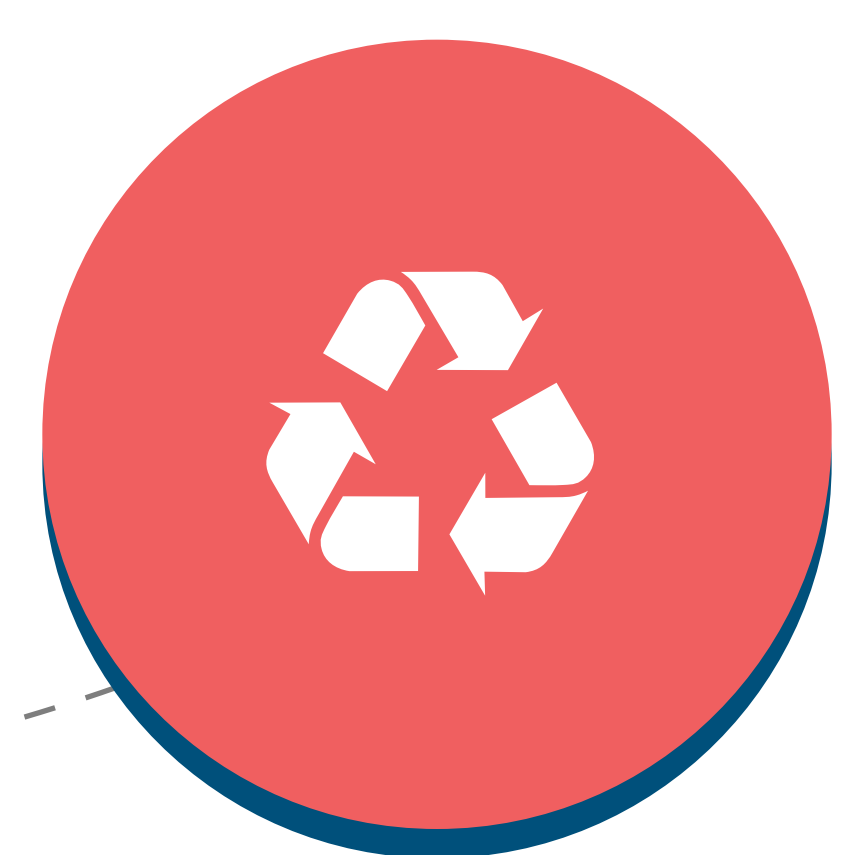
HUL'S COMMITMENTS



Collect and process more plastic than they sell by 2025



Use reusable, recyclable or compostable plastic packaging by 2025



15% recycled plastic by 2025

Samhita Social Ventures

2nd Floor, Jagdamba House, Next to Anupam Cinema, Peru Baug, Goregaon East, Mumbai 400063

Beyond business

Creating impact through innovation

In accordance with HUL's Compass commitments, and in line with its vision of a waste-free world, HUL has spearheaded three CSR interventions focusing on plastic circularity. The initiatives are being implemented in partnership with municipal corporations, state governments and reputed organisations such as United Nations Development Programme (UNDP) and Xynteo. They include:

- Setting up end-to-end waste management models
- Driving behaviour change on source segregation
- Improving lives of sanitation workers

Demonstrable models to manage end-to-end plastic waste management	Behaviour change communication (BCC)	Social inclusion initiatives of sanitation workers
<ul style="list-style-type: none"> • Focusing on setting up Material Recovery Facilities (MRFs) and demonstrating a replicable end-to-end waste management system 	<ul style="list-style-type: none"> • Encouraging citizen source segregation through BCC • Training children to be agents of change by driving eco-friendly waste practices 	<ul style="list-style-type: none"> • Facilitating access to social welfare schemes for sanitation workers

The following sections detail the impact of the individual initiatives.

INTERVENTION 1

Islands of Excellence to demonstrate end-to-end waste management

The scalable, sustainable, replicable way

With the push from governmental campaigns and policy sentiments, there is growing demand by society for access to decentralised waste management systems. Responding to this need, **HUL recognised the importance of developing infrastructure for plastic waste collection, processing and recycling.** These initiatives further required partnerships with the local community, local administration, allied corporate partners and technology providers. The company was able to demonstrate that creating a decentralised material recovery system is essential to ensure that plastic waste can be recycled in a scalable way.

HUL's 'Waste No More – Island of Excellence' was developed to demonstrate a scalable, sustainable and decentralised end-to-end waste management model through a unique Public-Private Partnership (PPP). The partners for the programme were Xynteo-Vikaasa, SBI Foundation, Dalmia Polypro, the Brihanmumbai Municipal Corporation (BMC) in Mumbai. The programme aims to streamline waste collection, processing and recycling of plastic and other waste.

As part of the model, segregated waste is collected directly from houses, other waste generators and aggregators and is then transported to the MRF. The centre is designed to maximise the recovery of recyclables from the waste stream, minimise the amount of material sent to landfills and reduce the environmental impact of waste disposal. It collects, segregates and prepares recyclable materials for transporting it to manufacturers. MRFs are equipped with conveyor belts, screens and sorting equipment to separate recyclable materials such as paper, plastic, metal and glass. After the materials have been sorted, they are baled and shipped to manufacturers who use them to create new products like recycled plastic, paper, T-shirts, agricultural pipes etc.

The impact*

The scalable, sustainable, replicable way

- **650** metric tonnes of total dry waste and **480** metric tonnes of total plastic waste processed at Mumbai D-Ward MRF for FY 2021-22

**None of the collection numbers mentioned in the report have been included in HUL's EPR targets*

Source: 2022 Xynteo-Vikaasa impact assessment report

INTERVENTION 2

Targeted behaviour change communication on source segregation of waste

Transforming mindsets for a better future

In an era of rapid urbanisation, scaling up solid waste management is critical for sustainable, healthy, and inclusive cities. While city and state governments have been upgrading collection infrastructure, a significant challenge has been that of getting people to segregate waste at source. According to the UNDP programme expert, awareness of waste segregation in India is high but does not translate into action due to various reasons such as segregation not being rewarded, people not believing it is an urgent task and the lack of regular systems to deal with source-segregated waste.

‘BinBoy’ campaign

HUL used its marketing insights in driving criticality of waste segregation through its BinBoy campaign. The strategy of focusing on individual action through the creative BinBoy is aligned with PM Modi’s Mission LiFe (Lifestyle for Environment) that nudges individuals to undertake simple acts in their daily lives that can contribute significantly to addressing environmental issues. BinBoy was broadcast on television, digital and social media to drive the urgency of waste segregation at source.

Link to BinBoy campaign videos: <https://rb.gy/hc5yz>

The impact

Transforming mindsets for a better future

According to a survey undertaken by Crownit (with a sample size of 1,337 across 10 cities), the impact was:

- **4 out of 5** respondents believed that the campaign would inspire their relatives/friends to segregate waste.
- **2 out of 3** respondents described the importance of source segregation and the need to use different coloured bins
- **70%** recall rate among respondents
- **72%** felt that it is ‘very urgent’ to act upon this issue after watching the ad.
- **89%** people ‘liked it very much’ and **80%** found the ad ‘very believable’

Source: 2022 Crownit online survey findings (Crownit is an online market research platform)

‘Waste No More’ programme

The ‘Waste No More’ programme was developed to create agents of change who could drive awareness and behaviour change among school children and communities on segregating waste at source. Its digital curriculum encourages students to adopt environmentally responsible waste management practices at school, at home, and in their communities.

In 2019, Xynteo-Vikaasa and HUL, in collaboration with the Maharashtra and Rajasthan School Education Departments, implemented two pilots and a state-wide rollout of the programme. The programme is presently being scaled up.

The impact*

Transforming mindsets for a better future

- **3,00,000** students reached through direct school interventions and various digital modes

Source: 2022 Xynteo-Vikaasa impact assessment report

INTERVENTION 3

Social inclusion of waste workers

A better life for Safai Saathis

Waste collection in India is largely informal. The Solid Waste Management Rules (2022) of the Government of India define 'informal waste collectors' as 'individuals, associations or waste traders involved in sorting, selling or purchasing of recyclable materials'.

Along with strengthening public awareness and providing waste management infrastructure, HUL recognises the critical role of *Safai Saathis* or waste pickers in the country's waste management sector. Hence, enhancing their social inclusion is a key focus area in Project Utthaan. The project (in partnership with UNDP) aims to reduce vulnerability and increase community resilience amongst *Safai Saathis* by linking them with government social welfare schemes including Pradhan Mantri Suraksha Bima Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana, SHRAM card and Jan Dhan accounts.

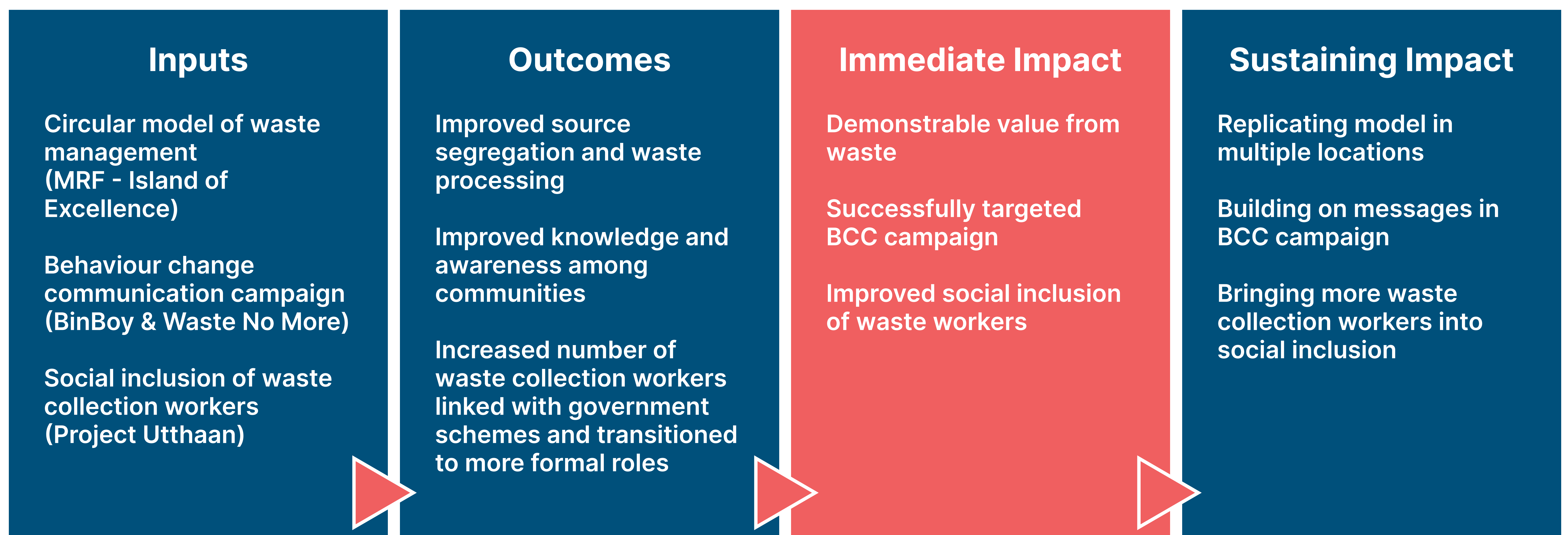
The impact*

A better life for Safai Saathis

- Project Utthaan has helped **3,300** *Safai Saathis* to access government schemes
- **More than 75%** of *Safai Saathis* reached were women

Source: <https://www.unilever.com/news/news-search/2023/hindustan-unilever-and-undp-india-launch-plastic-circular-economy-project/>

Conclusion



HUL has achieved immediate impact across its three programmes and is poised to strengthen and replicate them for sustained impact

HUL's CSR projects have created a catalytic impact among all stakeholders in the plastics value chain. The programme has demonstrated a scalable model of end-to-end waste management through a PPP. The projects tackled the issue of waste management right from the point of waste collection, segregation and disposal to recycling. The behaviour change campaigns drove the urgency of source segregation among citizens, the MRFs ensured access to recycling facilities, and more than 3,300 *Safai Saathis* were linked with government schemes, out of which 75% were women.

Scaling and replicating initiatives and partnerships such as those undertaken by HUL will help us achieve a cleaner, greener and more sustainable future that is also socially inclusive.

Partner collaborations

Name of collaborating partner organisation	Type of stakeholder	Roles and responsibilities
Hindustan Unilever Ltd. (HUL)	Convener	Financial and non-financial support – CSR funding; knowledge and outreach support for behaviour change communication activities
Xynteo	Technical expert – Project management	Project manager – Programme design and monitoring; implementing and managing PPPs
Brihanmumbai Municipal Corporation (BMC)	Government partner	Enabler – Providing civic infrastructure, land, utilities and approvals for setting up MRF in Mumbai
State Bank of India (SBI) Foundation	Institutional donor	Catalytic funding
Dalmia PolyPro	Mechanical recycling company	Implementation partner
UNDP	Multilateral organisation/ development partner	Technical collaborator
Stree Mukti Sanghatana	Implementation partner	Implementation partner for Project Utthaan
Bal Vikas Dhara	Implementation partner	Implementation partner for Project Utthaan
Haqdarshak	Technical partner	Technical partner for Project Utthaan

References

- Abuabara, L., Paucar-Caceres, A. and Burrowes-Cromwell, T., 2019. Consumers' values and behaviour in the Brazilian coffee-in-capsules market: Promoting circular economy. *International Journal of Production Research*, 57(23), pp.7269-7288.
- Atasu, A., Dumas, C. and Van Wassenhove, L.N., 2021. The circular business model. *Harvard Business Review*, 99(4), pp.72-81.
- Casciaro, T., Edmondson, A.C. and Jang, S., 2019. Cross-silo leadership. *Harvard Business Review*, 97(3), pp.130-139.
- Hossain, R., Islam, M.T., Ghose, A. and Sahajwalla, V., 2022. Full circle: Challenges and prospects for plastic waste management in Australia to achieve circular economy. *Journal of Cleaner Production*, p.133127.
- Hossain, R., Islam, M.T., Shanker, R., Khan, D., Locock, K.E.S., Ghose, A., Schandl, H., Dhodapkar, R. and Sahajwalla, V., 2022. Plastic waste management in India: Challenges, opportunities, and roadmap for circular economy. *Sustainability*, 14(8), p.4425.
- Ioannou, I. and Serafeim, G., 2019. Yes, sustainability can be a strategy. *Harvard Business Review*, 11.
- Villena, V.H. and Gioia, D.A., 2020. A more sustainable supply chain. *Harvard Business Review*, 98(2), pp.84-93.
- Nooyi, I.K. and Govindarajan, V., 2020. Becoming a better corporate citizen. *Harvard Business Review*, 98(2), pp.94-103.
- Reijonen, H., Bellman, S., Murphy, J. and Kokkonen, H., 2021. Factors related to recycling plastic packaging in Finland's new waste management scheme. *Waste Management*, 131, pp.88-97.
- Serafeim, G., 2020. Social-impact efforts that create real value. *Harvard Business Review*, 98(5), pp.38-48.
- Unilever. Inspiring sustainable living. Available at <https://assets.unilever.com/files/92ui5egz/production/c828cf5796884dd5b30717963ee36698bb183106.pdf/slp-5-levers-for-change.pdf> Accessed on February 3, 2023.
- Unilever, 2022. Unilever and the metaverse: Navigating the new virtual world. Available at <https://www.unilever.com/news/news-search/2022/unilever-and-the-metaverse-navigating-the-new-virtual-world/> Accessed on February 1, 2023
- Xynteo-Vikaasa, 2022. Draft Impact Assessment Report – Island of Excellence (Version 4)
- Xynteo-Vikaasa, March 2021. Waste No More Project Report, Mumbai -D Ward
- Crownit, July 2022. Findings_BINBOY Campaign Impact_28.07.22_C1
- Xynteo-Vikaasa. End-to-end waste management model: Island of Excellence, D-Ward, Mumbai
- Xynteo-Vikaasa. Impact evaluation report. Maharashtra: Educating the changemakers of tomorrow on waste management
- <https://cpcb.nic.in/rules-4/>