

# ingreen – A Sustainable Service Offer

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As an international network of family-owned wholesale companies, INPACS stands for ensuring hygiene and health protection in private companies and public sector institutions by supplying them with appropriate products and a wide range of services.

This is associated with high resource consumption and greenhouse gas emissions throughout the entire life cycle of the products purchased, most of which are currently not yet recyclable.

This puts pressure on planetary boundaries such as the climate, land use and ecosystems. The mass extraction of raw materials, the pollution of the environment with new harmful substances, including plastic, or the release of emissions when the resources are burned are all part of the negative impact.

To sustainably change consumer behavior (reduction, avoidance) and to boost the circular economy, awareness and solutions are needed that ensure hygiene and health protection in a demonstrably more environmentally friendly way.

Given the diversity of products, the complexity of the value chain and the lack of data, it is often impossible for customers to know what environmental impact they are actually causing and where they should start to improve.

INPACS addresses this need for data and consulting with ingreen.

## 1. What is ingreen?

With the help of a software tool developed for this purpose, the sustainability experts at INPACS can measure a customer's sustainability performance based on defined criteria and make it visible through a management report. The criteria are always based on scientific standards and certifications from independent entities.

The analysis of the status quo helps to identify potential for improvement. It is complemented by concrete recommendations for action for implementation and thus an actual and measurable improvement of the sustainability performance.

The customer's product use and procurement process as well as the sustainability performance in their upstream supply chain (Tier 2) are analyzed as described in more detail below.

ingreen is currently offered by our members in Germany, igefa, and in Switzerland, Webstar. The roll-out to other INPACS members is planned.

## **1.1. Product Portfolio Analysis**

Here, the customer first receives information on the extent to which their purchased products have a recognized sustainability label (e.g. EU Ecolabel, Cradle to Cradle) and which sustainability-related product characteristics can be derived from this. Scientific research is used to assess which product features address the relevant sustainability-related challenges of the respective product category.

This serves as the basis for the optimization potential. We generally focus on the product categories with the greatest potential in order to make recommendations for action.

The recommendations for action are in turn based on the product life cycle and are correspondingly diverse. They range from a simple product replacement (efficiency) to fundamental process changes that influence demand (effectiveness) and aim to minimize the pressure on planetary boundaries by reducing, in particular, the use of resources and emissions.

If, for example, alternative raw materials or other dosage forms are available, the recommendation can suggest switching products to more sustainable alternatives. If the demand or the quantity required is called into question, a complete change of the system used (e.g. dispenser) may be the consequence. End-of-life scenarios are also evaluated to help close loops.

## **1.2. Process Analysis**

The focus here is on transport emissions and process costs. First, the connection between delivery frequency and the CO<sub>2</sub> emissions caused is established to subsequently determine the individual CO<sub>2</sub> savings potential. Furthermore, the potential savings in terms of process costs are presented regarding ordering behavior, the cost of receiving goods and invoicing. On this basis, practical tips for measurably optimizing internal and external processes are provided. Where applicable, the connection between the optimization of the product portfolio used and process optimization is also established.

## **1.3. Supply Chain Analysis**

This analysis provides customers with a deeper insight into their specific supply chain performance (Tier 2). In concrete terms, both consolidated and company-specific data on the corporate social responsibility (CSR) performance of manufacturers is provided, allowing valid statements to be made on the customer-specific upstream value chain.

## 1.4. Information: The Role of Sustainability Labels

Sustainability labels play a special role in ingreen consulting for the following reasons:

Sustainability labels define sustainability criteria for individual product categories in a standardized and transparent manner, enabling us to reliably assign sustainability characteristics to products. However, these labels impose varying levels of strictness and comprehensiveness in their requirements. A product with a sustainability label does not necessarily meet the sustainability challenges that arise to a sufficient extent or only addresses a certain part of the product life cycle.

Customers are shown the extent to which the items they purchase have recognized sustainability labels (e.g. EU Ecolabel, Cradle to Cradle) and which sustainability-related product characteristics can be derived from them.

Scientific research is used to assess which product characteristics address the relevant environmental and social challenges of the respective product category. Experience has shown that textile production, for example, is associated with increased social risks in production. In this respect, the relevant labels must therefore address social aspects such as appropriate working hours, existing occupational health and safety measures, living wages and the absence of child and forced labor in production and raw material extraction.

The information is prepared in a structured, condensed form to reduce the complexity of the topic and give the customer the greatest possible understanding of the facts.

## 2. Diverse Scope of Impacts of ingreen

The impact of ingreen is sustainable in many ways and extends across the three pillars of sustainability: the environment, the economy and society.

The actual, measurable and lasting environmental and social impact is achieved by raising the awareness of all people involved, who in turn pass on what they have learned to their own social spheres. Through this, companies can be driven to a holistic transformation and measure themselves against the competition in this respect.

### 2.1. Example of the Leverage Effect of a Product Switch for the Environment

When analyzing the product portfolio, the quantities used and the corresponding product weight provide information on the relevance of individual product categories.

In the example below, it is assumed that the category detergents offers significant optimization potential for the customer due to the use of large quantities of ready-to-use solutions:

The recommended action is to switch from ready-to-use detergents to concentrates which are diluted with water at the point of use, for the following reasons:

- Ready-to-use detergents consist largely of water and have a disproportionately higher **weight** than concentrates.
- Ready-to-use solutions have a significantly higher **volume** than concentrates.
- Weight and volume have an influence, for example, on **transport emissions**, which are significantly lower with concentrates, or on **storage costs**.
- The customer needs fewer deliveries to have the same quantity of detergent available. This saves on **personnel** and **process costs**, which is an advantage, especially in view of the shortage of skilled workers and cost pressure.
- Saving on **packaging** is also a highly significant factor for concentrates: The concentration factor is roughly inversely proportional to the use of packaging. If spray bottles are also reused, the savings are even greater.

In terms of the product life cycle of detergents, concentrates address practically all stages:

- Raw material (water use, packaging quantity, alternative materials)
- Transportation (emissions)
- Product application (dosing, handling)
- End of product life (packaging waste, emissions)

However, there are other challenges associated with detergents, such as the use of substances that are harmful to soil, water or humans.

Other product categories, e.g. hygiene paper, soaps, waste bags or textiles pose other challenges for our environment throughout their life cycle. Here, ingreen provides detailed information, as shown in the example of detergent concentrates above.

## 2.2. Lever for Social and Entrepreneurial Changes

With the product switch to cleaning concentrates described above, the product application also changes. This means that the cleaning team must be trained in how to handle the dilution process in practice. To address specific questions of the cleaning team and challenges in the workplace, on-site training can be offered in cooperation with the customer account manager, as well as the product manufacturer.

To motivate the cleaning team to embrace this change, they are also given detailed information about the environmental benefits. This knowledge helps to raise their awareness of sustainability and has a lasting influence on future actions.

## 2.2.1 Sustainable Employability

A product switch or recommendation for action can have more far-reaching effects on employees' work than is apparent at first glance (see Box 1 for an example):

- Facilitated work and increased speed, for example through simpler handling, increased product efficiency or use of equipment, such as robotics
- Less physical strain on employees, resulting in fewer absences from work, increased employee health and safety.

The latter is relevant for the EU's Corporate Sustainability Reporting Directive (CSRD), among other things. To guarantee the best possible employability of employees, the different physical requirements of employees such as age, height, gender and fitness must also be considered. Accordingly, a holistic view of the cleaning teams' field of work is taken.

### Box 1: Explanation of a Recommendation for Action

The stripping of a floor to remove the protective coating is used as an example to explain a recommendation for action in light of sustainable employability. The use of floor sanders for stripping floors results in numerous advantages that increase both the efficiency and safety of the cleaning team:

#### Reduced use of chemicals:

Traditionally, highly corrosive chemicals are used when removing protective coatings. Using a floor sander eliminates the need for many of these chemicals, minimizing the environmental impact and health risks to cleaning staff.

#### Health protection of the cleaning team:

By eliminating hazardous substances, the associated health risks, such as skin irritation and respiratory problems, are reduced.

#### Greater occupational safety:

Although the use of floor sanders still requires the wearing of personal protective equipment, the need for special protective measures against chemicals is eliminated. This reduces the complexity of the protective equipment and thus the burden on personnel and the environment.

#### Physical relief:

The manual use of chemicals and mechanical tools to remove coatings is often physically demanding and stressful. Floor sanders take over most of this work, relieving the burden on cleaning teams. This can lead to a reduction in

muscle and joint problems related to intensive physical work.

#### Increased efficiency:

Floor sanders work quickly and effectively, significantly reducing the time and labor required for floor stripping. This means that projects can be completed faster, which both increases productivity and reduces costs.

#### Cost savings:

Fewer working hours and lower chemical usage lead to direct cost savings. In addition, the reduced physical strain and risk of health problems can also reduce long-term costs associated with absenteeism and healthcare.

#### Consideration of different physical requirements of personnel:

Floor sanders are usually ergonomically designed and can be adjusted so that they are comfortable to operate for people with different physical requirements. This reduces the risk of strain and overexertion and enables a wider range of employees to use the machines effectively and safely. This promotes inclusion in the workplace and better distributes the workload.

### **2.2.2. Multiplier Effect on the Transformation of Companies**

The consultation provided by ingreen enables the customer to critically reflect their own consumer behavior, far beyond the service package provided by INPACS.

The customer is “guided” when it comes to analyzing their procurement behavior, identifying optimization potential, and receiving concrete recommendations for action. However, once they have been made aware and have understood the scientific approaches and levers for improvement, they can transfer this knowledge to other areas of the company or procurement areas. This provides them with greater independence to transform their procurement holistically, over the long term, at their own pace and in line with their goals.

If the customer decides to communicate publicly about their progress, it can stimulate competition in the industry, driven by benchmark information provided within ingreen. This can also motivate other market players to take action.

This indirect impact can be of even greater significance for the customer - and for society - than the direct impact described above, both ecologically and economically.

### **2.2.3. Influence on the Market (Customers, Industry) and One’s Own Organisation**

Customer decisions based on ingreen recommendations lead to a noticeable change in demand on the market and to a structural shift in thinking within the value chain. This is where ingreen’s greatest leverage lies.

Every day, consumables for hygiene and health protection create a significant ecological footprint in the value chains of commercial and public entities. We actively highlight the benefits of sustainable solutions to our customers and encourage manufacturers to consider ecological alternatives from responsible production. Through this, we are fundamentally promoting a joint structural rethinking in the market.

The intensive exchange with customers during ingreen consultations enables us to understand their constraints, pain points and goals in general and in terms of sustainability even more precisely. We also incorporate the findings into the further development of our services.

As part of the equally intensive dialog with manufacturers and industry experts, we seize the opportunity to pass on identified customer trends and thus influence the development of products and their sustainability performance (use of resources, emissions, recyclability).

Furthermore, we expand our expert knowledge and learn about innovations through exchanges with manufacturers. These insights can then be incorporated into ingreen's recommendations for action, if a significant improvement can be demonstrated in terms of sustainability.

The ever-increasing learning curve and demands on sustainability also influence our own activities, e.g. regarding the expected sustainability performance of our own-brand products or our own consumption in terms of cleaning and hygiene.

#### **2.2.4. Quantification and Expansion of the Scope of Impact**

A general quantification of ingreen's impact on the customer's value chain, its resource consumption or the climate is not feasible given the individuality of the customers. In contrast, the customers' ingreen Management Report is characterized by detailed key indicators.

For instance, an ingreen customer consumes ten tons of hand towel paper per year. Due to the consultation, the customer was convinced to switch from a product with 100 percent fresh fibre content to a product with 100 percent recycled paper. If additionally, used hand towel paper is returned to the manufacturer for recycling, significant amounts of resources such as trees and associated emissions can be saved through one simple measure.

When switching to detergent concentrates as described above, the respective savings can also be calculated individually, but depend on the individual product and the factor of the required dilution.

Even if we cannot quantify the overall impact, every change initiated by ingreen contributes to a United Nations Sustainable Development Goal (SDG), whether it is sustainable consumption and production patterns, life on land or under water, or climate protection. Therefore, with every customer we assist in reducing their ecological footprint, another step is taken towards achieving the SDGs. Therefore, we are also focusing on broader coverage and plan to roll out this service offer to other member countries. We continue to develop the service to further increase its customer-centricity, enhance its appeal and generate even more impact with each new customer.

### **3. Goals of and with ingreen**

At the beginning of 2024, ingreen successfully completed the one-year pilot phase in Germany (igefa) and has become an integral part of the service portfolio there. On this basis, the following goals were formulated for ingreen

- Further development of ingreen
- Adding circular economy concepts within the recommendations for action
- Increasing the coverage of ingreen within igefa



- International roll-out of ingreen to other INPACS partners

### **3.1. Development of ingreen**

The product analysis of ingreen currently covers the five most important consumables categories. An expansion to include the next key categories is planned.

Additional key figures are to be developed for customers' value chains, including product-related greenhouse gas emissions and packaging volumes. This enables the identification of additional levers for effective change for the customer.

Next to these specific goals, the continuous development of ingreen is a fundamental principle and should be geared towards customer-specific needs, market and social developments. The input and expert knowledge of customers and manufacturers are particularly relevant here.

### **3.2. Supplementing Circular Economy Concepts with Recommendations for Action**

Today, consumables for hygiene and health protection are manufactured almost exclusively for linear use and usually end up in the incinerator or in the sewage system at the end of their product life. Vast amounts of valuable resources are lost and cause greenhouse gases on a relevant scale when burned. At the same time, renewable resources are finite, and their extraction often increases the pressure on planetary boundaries, such as the loss of biodiversity. These correlations are often underestimated.

For this reason, we have set the goal of combining the supply of our customers with disposal in line with the principles of the circular economy. Specifically, we are actively looking for relevant stakeholders along the value chain who can help to close loops for individual product categories - through intelligent collection of recyclable materials, relevant educational work at the point of use, appropriately managed and legally compliant return logistics, suitable manufacturing processes. Even apparently impossible topics, such as the recycling of incontinence products, are not out of bounds, especially when it comes to mass products.

Closed loops established by individual stakeholders are used as a blueprint for the recommendations for action within ingreen.

### **3.3. Upscaling the Coverage of ingreen**

Following the successful launch in Germany, a significant increase in coverage within Germany is planned for the coming years to harness the environmental potential and ultimately fulfil our social responsibility. For this, the structural framework will be set in 2024 through employee training, process optimization, communication plan, networking, etc.



Our target customers are primarily major regional and national customers from the facility management, healthcare, hospitality and public institutions sectors, both existing and new customers.

The environmental potentials described are fundamentally global in nature, which is why there are plans to increase ingreen's international coverage. Our Swiss INPACS member is currently in the implementation phase. Other European INPACS members are already on the agenda but have not yet been confirmed as technical and structural preconditions need to be met first.

## **4. Corporate Social Responsibility Ambition**

### **4.1. Ambition for Analyses in the ingreen Management Report**

The analyses in the ingreen Management Report and the consultation on sustainability potential are based on science-based research and standards as well as independently validated data. They are carried out exclusively by sustainability experts who are explicitly not part of the sales departments. The focus is on genuinely sustainable consumption and production patterns, which are to be achieved through credibility (expertise, transparency of methodology and data sources, more conservative methods to avoid greenwashing in cases of doubt) and manufacturer neutrality. Superficial losses in sales or contribution margins as a consequence of customer consultation (e.g. when reducing the use of resources or replacing a private label product that does not yet meet the high sustainability standards) are accepted in favor of long-term customer relationships. As a result, the sustainable transformation is also gradually being driven forward in our own organizations.

### **4.2. Ambition for Requirements of Action**

Our recommendations for action also follow the aforementioned principles of objectivity. To ensure feasibility we also include practical information from the relevant customers or customer account managers on local conditions, from manufacturers on specific applications or from external consultants on new topics.

### **4.3. Legitimization of the ingreen Sustainability Consultants**

Our sustainability experts involved in ingreen consultation are characterized by the utmost intrinsic motivation to protect our planet. Manufacturer neutrality and a fundamentally critical scrutiny of sustainability claims are part of their nature. They are just as aware of the importance of science for holistically sustainable solutions as they are of the need for cooperation along the supply and value chain. Desk research is therefore only one means of

gathering knowledge. Our sustainability experts are also involved in research projects (including with universities), visit production sites, exchange ideas with various industry experts and connect through industry and sustainability network initiatives - to ensure that their expertise is always at the highest level.

However, legitimacy also includes customer testimonials that confirm our promise of impact. We were able to collect important customer feedback during the pilot phase. For example, customers say that they are well on the way to achieving their CO<sub>2</sub> targets with the help of the ingreen consultation, or that they have been able to optimize their product portfolios and processes in line with the recommendations for action. Above all, they say that ingreen has enabled them to start optimizing their procurement behavior. It also became apparent that in some cases the lessons learned are being transferred to other areas of the customer's company. Further customer testimonials can be found on the [website of our German member](#).

#### **4.4. Ambition for Transformation**

INPACS and its members use their central role in the market to contribute to the transformation towards a socially and environmentally sustainable economy and provide transparency on sustainability-related aspects of products. This provides the impulse for everyone involved in the value creation process, including customers and manufacturers, to make the necessary decisions in terms of measurable sustainable development in consumption and production. This includes, in particular, sustainable product design and sustainable product selection.

This change in the entire value creation process is initiated by ingreen and promotes the rethinking of entire sectors. Regular exchanges are the key to transformation and are highly valued by all parties. Changing demand and the mutual advancement of solutions and optimization possibilities ensure continuous development in terms of knowledge acquisition, innovation and corporate orientation.

### **5. INPACS Corporate Social Responsibility**

INPACS is aware of its social responsibility and its influence on consumption and production patterns within the network and along the supply and value chains.

To live up to its responsibility, a sustainability strategy has been formulated and specific targets and standards have been set against which all members are measured. The core element of sustainability work within INPACS is the development and transfer of knowledge. The exchange with manufacturers on sustainability-related aspects along the product life cycle plays a key role here, as does the inclusion of scientific findings as a neutral source.

This knowledge is applied within the framework of ingreen consulting and contributes to measurable sustainable development.