

nextwave

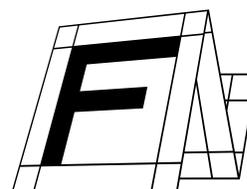
CURRENTS OF CHANGE:

NEXTWAVE PLASTICS

STORIES OF IMPACT

Ensuring Social Responsibility

CASE STUDY 06



05.25.2022

Ensuring Social Responsibility

Recovering ocean-bound plastic is not just imperative for the environment. It's a way to lift up communities around the world.

Jon Khoo, Interface's head of sustainability for Europe, Africa, Asia and Australia, has a framed message on the wall behind the desk in his London home office. It says, "Embrace the squiggly path."

Interface is a founding member of the NextWave Plastics consortium and a commercial flooring company that has integrated discarded fishing nets into its carpeting products. The sign in Khoo's office nods to what change looks like—often not a smooth trajectory.

NextWave Plastics members are certainly familiar with the squiggly path as it relates to ocean-bound plastic. This bumpy but rewarding road includes [designing new products](#) and [reinventing supply chains](#)—it also means creating opportunities and improving lives in the communities where the materials are collected.

NEW SUPPLY CHAIN, NEW TERRITORY

In the early 2000s, Interface began recycling old carpets to make new ones. The effort was so successful that after several years, the company's

“HOW CAN YOU HAVE A SOCIAL IMPACT ALONGSIDE THE RECYCLING AND ENVIRONMENTAL IMPACT?”

—JON KHOO, HEAD OF SUSTAINABILITY AT INTERFACE

nylon supplier flagged that it needed more sources of waste material to meet demand from Interface and other customers.

It turns out that fishing nets are also made from nylon—Interface saw an opportunity.

After meeting with suppliers, economists, the Zoological Society of London's (ZSL) marine conservationists, and other experts, the Interface and ZSL team launched [Net-Works](#). They started first with small-scale fishing communities in the Philippines, later expanding to Cameroon in central Africa.

“What we were looking for at Interface was, how can we make a supply chain that was going to be more inclusive?” Khoo says. “How can you have a social impact alongside the recycling and environmental impact?”

As part of the initiative, Interface helped set up community banking systems that locals administered, providing a way for people to invest their earnings and maintain transparency. A decade after launching Net-Works, which has since become part of the social enterprise [Coast 4C](#), Interface continues to integrate fishing net material into the nylon fiber used in over half of their carpet tiles.

“We were never going to be able to set up Net-Works in every single village in the world that could use a program like that, but we could really develop and promote the model,” says Mikhail Davis, Interface's director of technical sustainability. “We felt like joining NextWave was going to be a wonderful way to turn our little ripple into a global wave of programs.”



“WE HAVE KEPT THE COLLECTOR AT THE CENTER OF THIS EFFORT...”

FOSTERING RESILIENCE

Ocean-bound plastic typically comes from areas where formalized collection systems are nonexistent or inadequate to keep waste out of the environment. These same coastal places also face a host of challenges, including poverty, devastating storms, and political instability. Having consistent demand from a buyer of ocean-bound plastic lends crucial support to social responsibility efforts.

“We’ve kept our pricing and volume stable, even in the face of changing markets. That’s what allows a supplier to be a stable employer with the ability to invest in enhanced health and safety processes,” said Romi Lessig, program consultant for sustainability at Dell Technologies, which sources ocean-bound plastic from Indonesia. “Our supplier has actually made physical plant changes since we’ve been there, based on the advice of our audit specialists in Asia.”

For this reason, partner organizations can be essential for companies that aim to increase social responsibility across their supply chains. NextWave members HP and CPI Card Group both work with the nonprofit [First Mile](#) in procuring ocean-bound plastic from Haiti. First Mile works on the ground in Haiti, providing a crucial communication link with collectors.

CPI sources the material from Haiti for its Second Wave® payment cards. Through First Mile, the company gives a portion of the sale of every ocean-bound plastic card sold to projects that support collectors, including a relief fund for collectors during the COVID-19 pandemic.

“You have to be open-minded to doing things in a way that you haven’t necessarily done for other supply chains in the past,” says Terra Grantham, vice president, strategy and ESG for CPI Card Group. “For us, that meant working a lot deeper in the supply chain instead of just dealing with your direct supplier. You have to understand your full supply chain.”

HP helped pioneer recycling efforts in Haiti, partnering with First Mile, Lavergne and WORK to address both social and environmental issues as it embarked on the project in 2016. The resulting program includes creating two tech-enabled learning centers for children of collectors and has created more than 1,100 income opportunities. HP recently invested \$2 million in a [recycling wash line](#) that simplified HP’s ocean-bound plastic supply chain in Haiti by eliminating a washing step off the island. This has increased the value of plastic collected on the island as well as the prices that collectors receive, which will add an estimated 1,000 more income opportunities for adults in Haiti.

In a prime example of embracing the squiggly path, HP persevered with the wash line even as the pandemic and a severe tropical storm threatened to derail the effort.

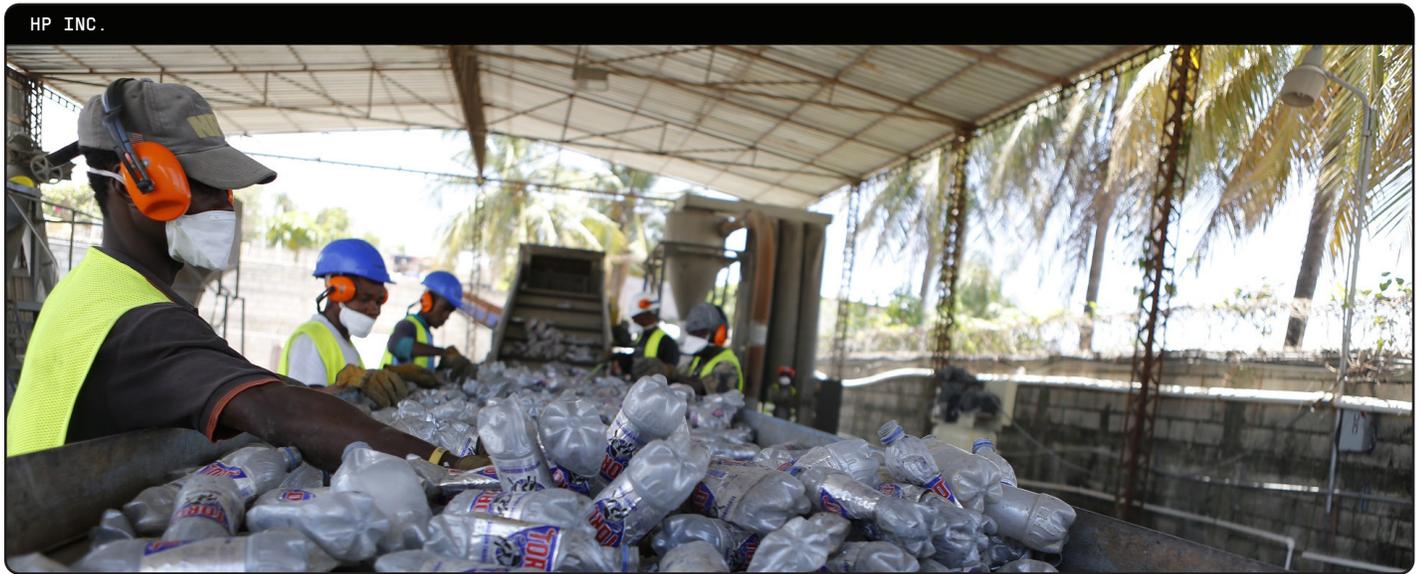
“We have kept the collector at the center of this effort,” says Dean Miller, global head of recycling innovation at HP. “It’s a social impact story that happens to have an environmental benefit—not the other way around.”

ESTABLISHING GUIDELINES

In the fall of 2021, NextWave released the Framework for [Socially Responsible Ocean-Bound Plastic Supply Chains](#) with guidelines to help organizations safeguard worker welfare by asking the right questions, enlisting the right partners, and seeking the best tools and information. Ikea, Dell, CPI Card Group, and other NextWave members developed the framework, with input from over a dozen external experts.

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IKEA was a lead voice in the need to create the framework. Like other member companies, IKEA has been on a learning journey to shape their understanding and approach to responsible sourcing in the context of informal waste economies. IKEA Social Entrepreneurship has partnered with Saahas Zero Waste, India, on a pilot program to transform the informal waste sector in India, starting with three waste management micro-entrepreneurs.

Through a self-sustaining business model, Informal waste workers will receive formally recognized employment under decent work conditions for the first time. The plastic waste collected will be a source of secondary raw material for IKEA in the region, and the company will provide detailed traceability to the source of the plastics sourced.

“We support Saahas Zero Waste’s efforts to find a replicable model that could improve this sector when it comes to employment and decent work conditions,” says Åsa Skogström Feldt, IKEA Social Entrepreneurship managing director.

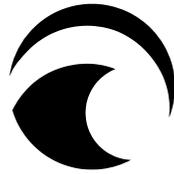
The insights from this project and others will be critical to the future development of the NextWave framework, helping more companies to follow in the coalition members’ trailblazing footsteps.

“What we’ve done to set up social standards within NextWave is really formalizing a lot of stuff that we did early on,” Interface’s Mikhail Davis says.

ENSURE SOCIAL RESPONSIBILITY IN YOUR SUPPLY CHAIN

- Embrace the squiggly path, knowing it’s never a straight line from beginning to end
- Aim for community-based initiatives that are strong enough to stand on their own
- Commit to going deep on your supply chain to understand workers’ needs
- Strive for practices that can scale to other locations
- Consult NextWave’s social responsibility framework or similar resources available online

Visit nextwaveplastics.org to learn more.



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