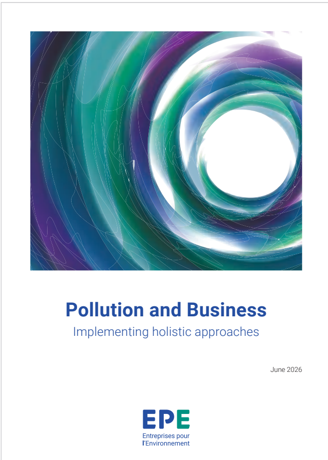
POLLUTION AND BUSINESS



Implementing holistic approaches

Work carried out with member companies of the Association française des Entreprises pour l'Environnement (EPE) over the past four years within the Health and Environment Committee has highlighted the drivers and limits of reducing exposure to pollution from businesses' industrial activities and their products and services. A holistic approach, such as One Health or Nexus, appears to be the most effective and sustainable way to improve human, animal and ecosystem health.

9 million
premature deaths worldwide each year are caused by pollution

75%
of emerging diseases are linked to environmental factors, such as pollution

More than
10,000
different chemicals can be used in plastics

Somewhat vague regulations due to limited scientific knowledge

▶ Poor knowledge of the **chemical composition of certain products**, at times even among the businesses themselves and their suppliers.

▶ **Partial lack of harmonised tools for measuring human toxicity** and ecotoxicity, particularly for emerging pollutants.

▶ **Scientific uncertainties** regarding the environmental and health impacts of certain substances (e.g. microplastics, PFAS, nanomaterials) and the 'cocktail effects' of these substances.

▶ **Lack of reference values** for emerging, unregulated pollutants. Businesses need to set **their own thresholds**, which may become obsolete as regulations evolve.

▶ **Complexity of the plastic collection and recycling sectors**: lack of economic attractiveness, collection and recycling difficulties, traceability and availability issues, technological challenges, and a lack of outlets for recycled plastics. Public authorities play a key role in organising economically viable recycling sectors through financial support and circular economy-friendly regulations. The unstable regulatory framework in recent years has not fostered the development of these sectors.

▶ **Lack of clarity regarding certain upcoming regulations** (e.g. plastics, PFAS), which undermines efforts to address these issues at an early stage right from the product design phase, even though such efforts require difficult-to-secure **investment** as well as research and development **time**.

EPE
Entreprises pour l'Environnement
www.epe-asso.org

Scan to view the publication

Drivers deployable by businesses and the banking sector

▶ Contributing to a **better understanding of conventional and emerging substances and of pollution** by enriching databases.

▶ Increasing commitments to **transparency** of product composition, accompanied by educational initiatives for customers, consumers and authorities.

▶ Acting **upstream at the product/service design phase** – including **forgoing** and/or **substituting** certain substances/materials, and reducing the product's overall impact – is the most effective approach.

▶ Developing **collaborations** across sectors and value chains with public authorities, scientists, associations, NGOs, and experts is a powerful **catalyst** for implementing actions to **reduce exposure** to conventional and emerging pollutants (upstream and downstream of emission sources).

▶ **Surpassing and/or anticipating regulations** to achieve further emissions reductions, particularly for emerging pollutants not yet subject to regulation and for production sites outside the European Union or other countries with stringent environmental and health standards.

▶ Deploying **financial instruments** to encourage businesses to adopt virtuous approaches to reduce exposure to conventional and emerging pollution, such as forgoing or substituting certain chemical compounds, developing collection and recycling systems for plastic waste, and introducing alternatives to conventional agriculture to reduce chemical inputs. Investors adopt these measures to avoid **stranded assets** and **mitigate reputational and legal risks**.

Gradual integration of holistic approaches, such as Nexus or One Health, into business models

Reducing exposure to pollution is essential to safeguarding human health, ecosystems and corporate economic resilience. Environmental issues can no longer be addressed in isolation, as everything is **interconnected** (see the planetary boundaries model).

Broadening the discussion on exposure reduction to include **integrated approaches** such as One Health, Nexus, or the conclusions of EPE's 2030 Milestone study[1] would enable the implementation of more **robust and resilient** solutions.

Implementation, however, is complex because these issues are **difficult to link** across the scientific, analytical (LCA, metrics), and regulatory (fragmented texts) levels.

Businesses have many other parameters to consider (economic, regulatory, financial, human, technological, etc.), and their stakeholders do not all share the same expectations. In fact, these expectations can sometimes be contradictory (e.g. short-term profit versus long-term investment to restore a natural space).

The examples in this brochure show that an increasing number of EPE member companies are adopting this approach and changing their business models under pressure from their investors or customers, while preparing their companies to face the complex environmental challenges ahead.

(1) EPE, 2030 Milestone for the Ecological Transition, December 2023.