

# State of Sustainability in the Pet Industry

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Report prepared by



## About PSC

The Pet Sustainability Coalition (PSC) is a global nonprofit organization dedicated to helping the pet industry reduce its environmental and social impact. Our vision is a sustainable future where every choice for pets supports a thriving planet and our mission is to advance sustainability in the pet industry through collaboration, education, and innovation.

With over 200 members across 18 countries, PSC guides businesses toward measurable sustainable progress. Through industry collaboration, education, certification programs, industry events, and research initiatives, PSC helps members build stakeholder trust while creating a healthier future for pets, people, and the planet.

We're proud that over 80 of our members have received PSC Accreditation. The PSC Accreditation program is the only certification in the pet industry that measures and verifies a company's sustainability impact. Through a third-party verified process, companies accredited by PSC drive positive impact for pets, people and the planet, and are held accountable for continuous improvement across sustainability measures.

### PSC BY THE NUMBERS

**200<sup>+</sup>**

MEMBERS

**5**

CONTINENTS

**65<sup>+</sup>**

SUSTAINABILITY  
PROJECTS COMPLETED  
IN 2025

**80<sup>+</sup>**

ACCREDITED MEMBERS

**\$327B**

ESTIMATED COMBINED  
ANNUAL REVENUE

**34**

PSC ACCREDITED COMPANIES  
IN THE SUSTAINABILITY  
PAVILION AT GLOBAL PET EXPO

**18**

COUNTRIES

**8-10**

ANNUAL MAJOR  
COLLABORATION POINTS  
(trade shows, networking  
events, conferences)

**10**

BOARD MEMBERS ACROSS  
THE VALUE CHAIN

## About World Pet Association

### Report Sponsor

Founded in 1950, World Pet Association (WPA) is the pet industry's oldest nonprofit-organization. They connect and inform pet professionals through industry-defining trade shows SUPERZOO and GROOM'D.

WPA's mission is to support the business needs of pet retailers and to promote responsible growth and development of the pet industry by providing thought leadership on consumer and legislative issues; leading efforts in the public sector to inform consumers and ensure safe, healthy lifestyles for all animals; and providing business resources, education, content and services to ensure pet product retailers have the support they need to be competitive.

Through WPA's Good Works program, proceeds from their events are funneled back into key industry organizations and nonprofits, including [World Alliance of Grooming Associations](#), [National Animal Interest Alliance \(NAIA\)](#), [USARK FL](#), [USARK](#), [HABRI](#), [Pet Advocacy Network](#), [Pet Sustainability Coalition](#), [BEAK](#), [Pet Care Trust/Pets in the Classroom](#), [Project Piaba](#), USAQUA-USAVIA, with the goal of making it easier for pet industry professionals to do business.

For more information about WPA, visit

[www.worldpetassociation.org](http://www.worldpetassociation.org).

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# Letter from Our CEO

Dear members, colleagues, and partners,

Sustainability has become one of the defining forces shaping our industry's future. Evolving regulations, economic uncertainty, and rapidly advancing technologies are pushing businesses to adapt faster than ever before. Yet in the midst of this change, one thing is unmistakably clear: our industry continues to rise to the challenge with courage, collaboration, and measurable progress. Every day, we demonstrate that sustainability is not a passing trend, but a strategic commitment that strengthens brands, builds trust, and lays the foundation for long-term resilience and success.

At the Pet Sustainability Coalition, our mission is to advance sustainability in the pet industry through collaboration, education and innovation. We work to align companies across the value chain, establish shared standards, and create the tools and partnerships that empower businesses of every size to act with confidence. This inaugural *State of Sustainability in the Pet Industry* report reflects that mission in action. Funded by the World Pet Association and guided by data from PSC's Benchmark Assessment, PSC Accredited member insights, and leading research partners, it offers both a snapshot of where we stand today and a roadmap for where we must go next.

Despite economic pressures and a complex regulatory landscape, the message from leading companies is clear: sustainability is a growth strategy. Consumers – especially younger generations – are rewarding responsible brands. Business leaders are embedding environmental and social progress into the core of their competitive



advantage. Yes, challenges persist, from inflation and fragmented regulations to the environmental footprint of emerging technologies like artificial intelligence. But within these challenges lie powerful opportunities for innovation, collective problem-solving, and bold leadership.

I want to extend my sincere gratitude to the core contributors and editors who shaped this report - Allison Reser, Hannah Hintz, Chloe DiVita, and our Board of Directors. Your expertise and dedication to advancing sustainability across the pet industry made this report possible.

We created this report to illuminate the path ahead. My hope is that it not only helps you understand the progress we are making together, but also inspires you to take the next step on your own sustainability journey. Together, we can work to achieve our vision for a sustainable future where every choice for pets supports a thriving planet.

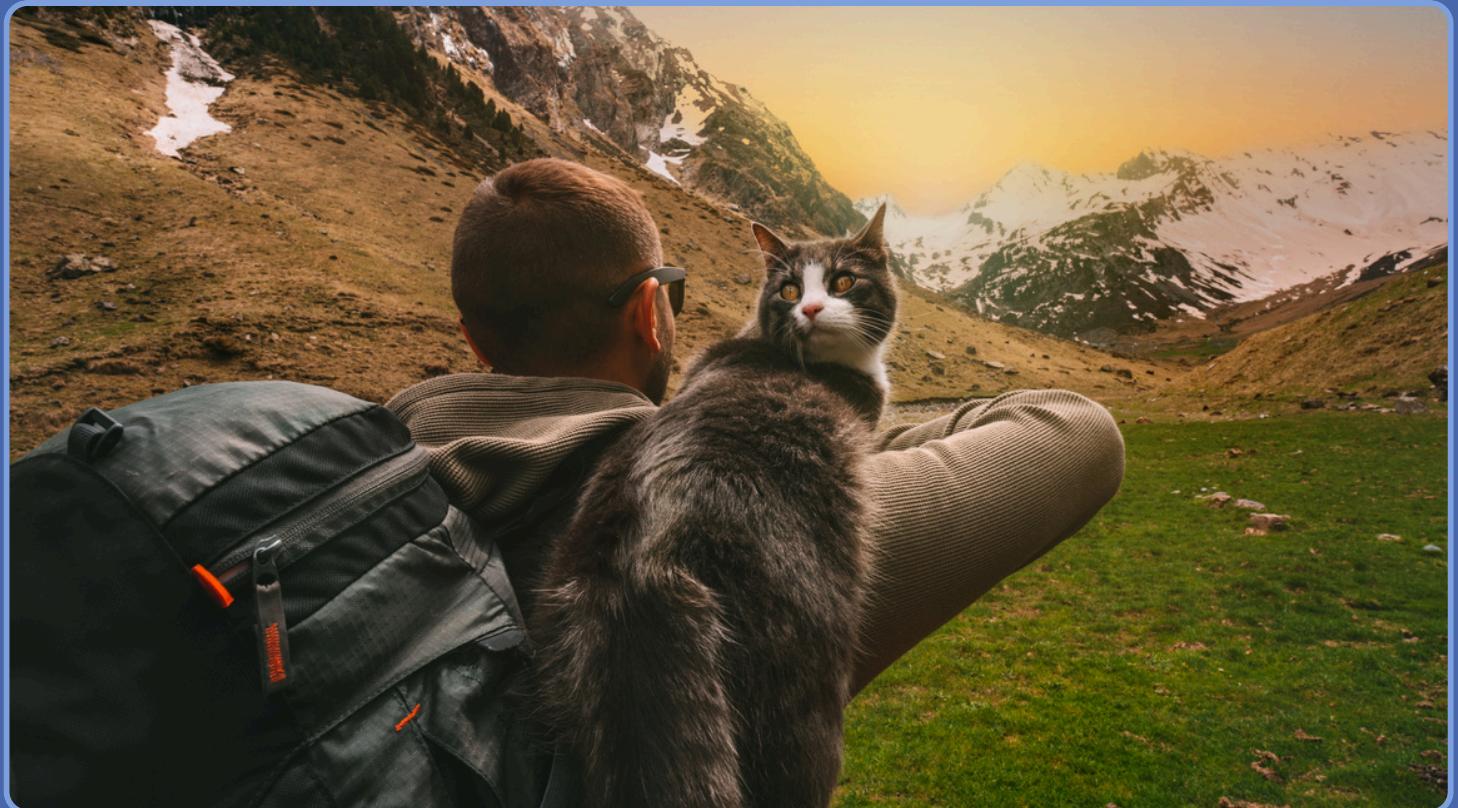
Thank you for your leadership and partnership,

**Jim Lamancusa**

CEO of the Pet Sustainability Coalition

# Introduction

This report, "State of Sustainability in the Pet Industry 2025 Edition" marks a significant milestone in how the pet industry is advancing sustainability, measuring progress, and driving broader impact. With the generous support of a WPA grant, this report is designed to be the definitive sustainability resource for pet industry professionals across the value chain, from manufacturers, CPG companies and retailers to innovative solutions-providers and investors. Our goal is to provide a comprehensive, easy-to-understand snapshot of the sustainability landscape of today and where we are headed tomorrow. The 2025 Edition brings together essential data pillars to offer a complete picture of progress:



## Data Sources in This Report

### 01 PSC's Annual Benchmark Assessment

For the first time, we're sharing the initial results of our member self-reported Annual Benchmark Assessment (The PSC Benchmark), a collective snapshot of the pet industry's sustainability efforts. While this marks a starting point rather than a final destination, the data reveals insights into where the industry stands and the opportunities ahead.

### 02 PSC Member Insights

We summarized key themes observed within sustainability reports shared by our members, evaluated trends in product claims from the 80+ PSC Accredited companies, and aggregated knowledge gained from ongoing engagement with members.

### 03 Acquired Data

We partnered with Nextin and BBMG to acquire exclusive pet consumer data.

### 04 Publicly Available Industry Data

We sourced data from reports from credible sources that track sustainability trends, consumer behavior, and market innovation across the globe and the pet sector.

# A Guide to This Report

## 01 Market and Innovation Trends of 2025

To help you build the business case for sustainability, this section outlines the most compelling market and innovation trends shaping the industry in 2025. We've collected essential market and consumer data that shows consumer prioritization of sustainable product attributes is a critical opportunity of growth. From sustainability growing as a business imperative to companies prioritizing foundational practices and risk mitigation and consumer trends in sustainability today, we showcase how the consumer mindset around sustainability is shifting.

- **How to use this section:** Gain concrete ideas and insights for implementing sustainable actions in your business.

## 02 Strategic Outlook for 2026 and Beyond

This section is forward-looking. We explore how emerging legislation and continued trends, such as the rise of AI, are set to impact the pet industry. We dive deeper into increased transparency mandates and how legislative pressure will fragment and intensify. The purpose of this section is to help you proactively prepare for the risks and opportunities of 2026 and beyond.

- **How to use this section:** Develop a strategic plan that ensures your business remains resilient in a rapidly evolving market.

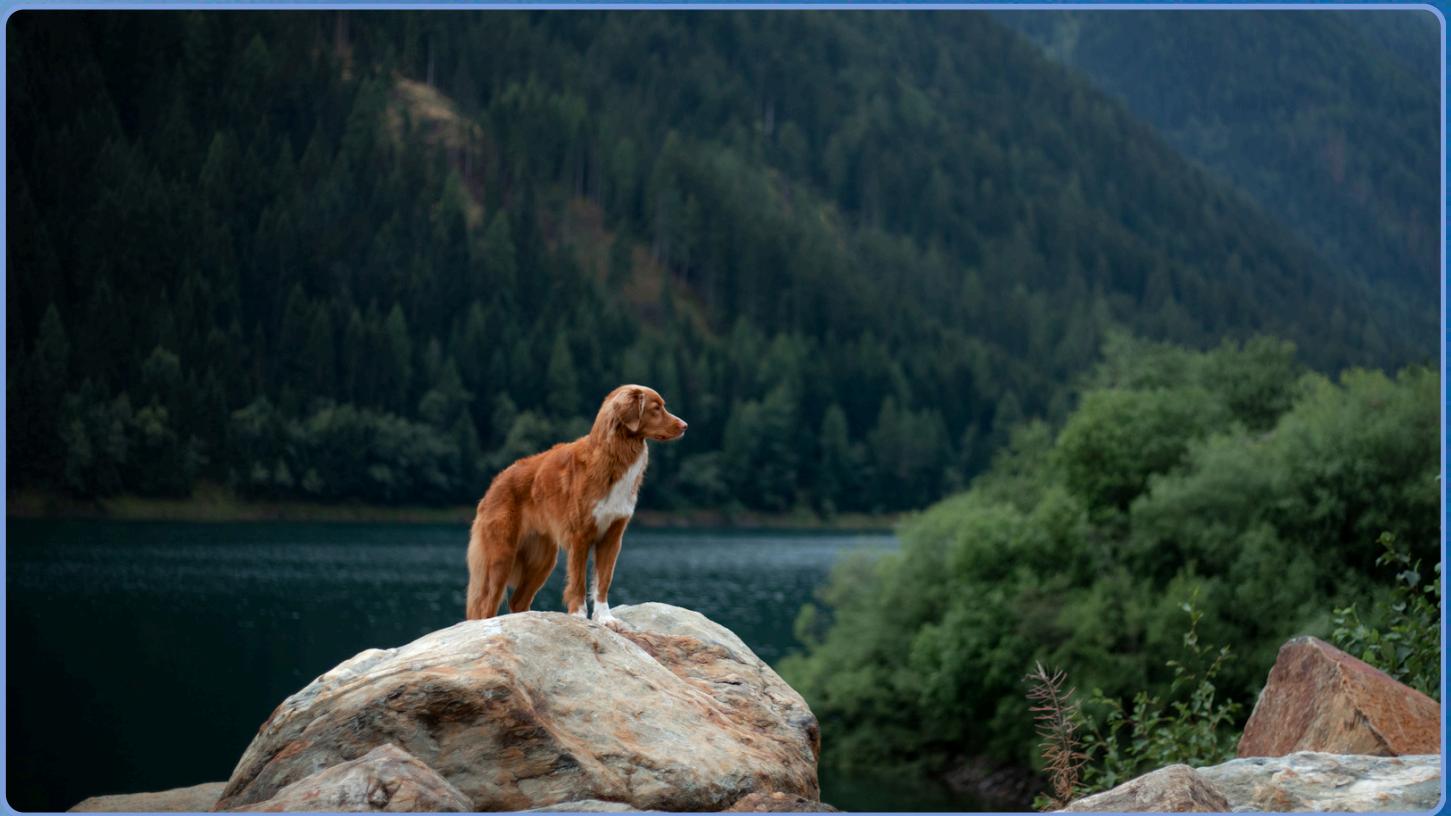
## 03 Conclusion and Next Steps

This final section translates data and trends into tangible next steps for companies at every stage of their sustainability journey. Building on the insights of 2025 and the outlook for 2026. This section provides practical takeaways for driving progress and how to implement them.

- **How to use this section:** Identify which actions are most relevant to your company's current maturity level, from foundational measurement and compliance to innovation, collaboration, and verified transparency. Use it as a guide to embed sustainability into business planning and accelerate measured impact.

# Market and Innovation Trends of 2025

Sustainability is a market-shaping force driving innovation, growth, and resilience in the pet industry. The trends defining 2025 reveal how environmental responsibility, consumer trust, and operational efficiency are converging to create measurable business value. Across regions, growth-minded companies are integrating sustainability into core strategy, turning global challenges into opportunities for leadership advantage.



KEY INSIGHT 1

# Pet Owners are Passionate for Sustainable Products



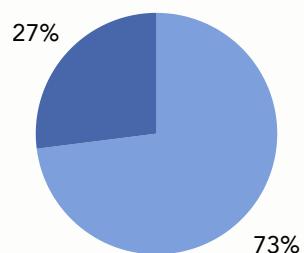
In 2025, leaders are recognizing that consumer expectations no longer follow trends; they set them. Understanding how pet parents define, prioritize, and reward sustainability is a strategic necessity. These insights highlight how values are shaping brand trust, product innovation, and market access across regions, while also signaling a broader shift in purchasing behavior. One where sustainability is increasingly linked to quality, trust, and value, which consumers are now defining beyond just discounted price<sup>14</sup>. For example, a sustainable product that shows tangible energy reduction is often perceived as "valuable". However, despite sustainability attributes, affordability constraints continue to influence what ultimately sells, especially in categories where sustainable options remain limited.

# 84%

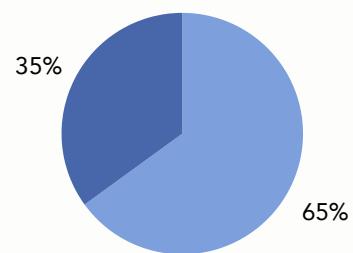


of pet parents hold companies responsible to address climate change...

## Pet Parents



## Non-Pet Parents



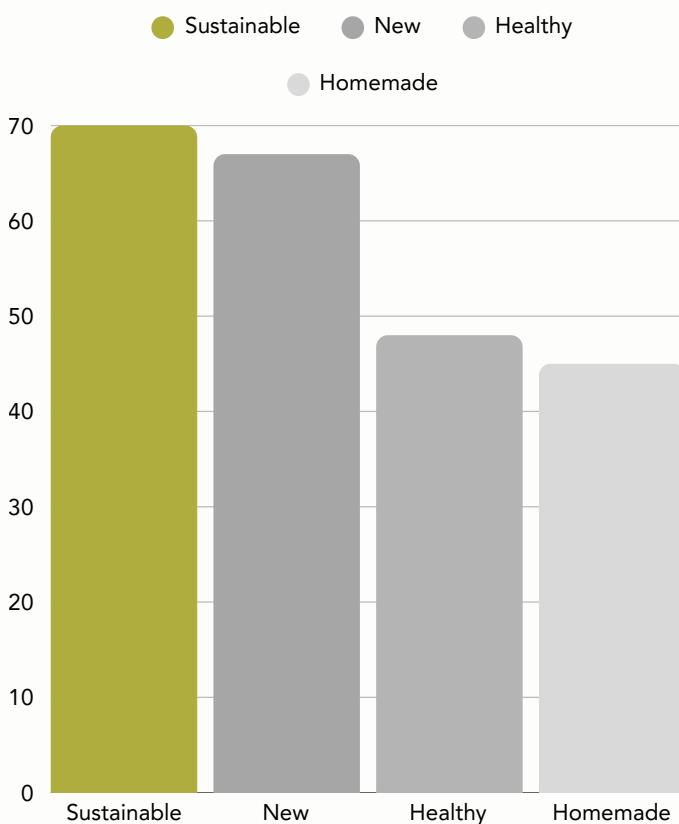
...And they are 9% more likely than non-pet parents to say people should also be responsible to address climate change (73% pet parents vs. 65% non-pet parents)

# Sustainable Products Move from Niche to Norm

Affordability continues to dominate many purchase decisions, and not all sustainability-led products break through on shelf. Even so, sustainability has steadily shifted from a niche concern to an important factor in how consumers evaluate brands, especially when price expectations are met and claims are credible.

NIQ's 2025 Mid Year Consumer Outlook shows consumer purchasing decisions being influenced by the search for value. But the definition of value has been expanded to include other benefits to the

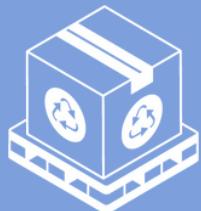
## Consumer Purchase Drivers: Affordability + Various Affinities (NIQ 2025)



customer, including product efficiency - such as money savings from a more energy efficient purchase. This shows sustainability has moved past being an afterthought; when sustainable attributes are embedded in the product benefit, it becomes a leading purchase motivator once basic affordability is met<sup>14</sup>. While affordability is the top barrier, sustainability grows in importance in what consumers actually buy. The areas where consumers tend to make more sustainable choices for their pet is when health and wellness are impacted. Specialty diets, supplements and health, and grooming aids often carry primary benefits that improve the quality of life for the pet and also inherently have sustainability attributes. These products illustrate how sustainability attributes gain traction when they reinforce core functional benefits.

Even in an affordability-focused market, sustainability has become the leading influence on brand choice once cost expectations are satisfied.

## Education Opportunity: Consumers Aren't Aware of the Sustainable Choices They Make



recyclable packaging



sustainable protein and other ingredient sources



eco-friendly attributes



products that support a cause

Top purchase drivers as reported by Nextin

Pet Consumer Trends research by Nextin surveyed over 2,400 cat and dog parents and asked which product features would most influence purchasing decisions when buying consumable products for their pets. Claims including recyclable packaging, sustainable protein and other ingredient sources, eco-friendly attributes, and products that support a cause ranked as the top drivers to make the purchase. At the same time, **when specifically asked if they would prioritize purchasing a more sustainable product, only 5% of cat parents and 11% of dog parents said that was a top consideration.** This shows a clear gap in consumer understanding of positive product attributes correlating to sustainability and highlights the need for increased education across the pet industry on what makes a product more sustainable and how that helps to deliver on the positive attributes influencing consumer purchasing decisions.

Source: Nextin

# From Conscious to Confident Consumption

A generational shift is reshaping sustainability in the pet industry by redefining what “responsible consumption” means. Led by Millennials, and increasingly joined by Gen Z, younger generations aren’t just aware of sustainability, they expect it.<sup>18</sup> They grew up equating ethical choices with quality and believe a company cannot be ethical if it is not sustainable. They view environmental responsibility as part of modern brand behavior, not a bonus feature.

This mindset is fueling a more confident form of consumption. Younger generations don’t want to choose between efficacy and ethics; they want proof of both.

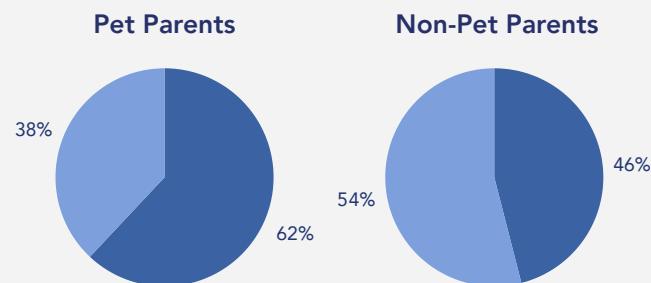
## Younger generations are prioritizing:

- Packaging:** They scan for evidence that packaging is recyclable.
- Ingredients:** They look for information that proves responsible sourcing.
- Community Impact:** They seek brands that show tangible community involvement that leads to real impact.
- Verifiable Claims:** They look for sustainability statements backed by data, certifications, and evidence rather than broad, unsubstantiated marketing language.

In the EU, over 70% of consumers report skepticism toward green claims, compared to 55% in the U.S.<sup>20</sup> This higher scrutiny has accelerated regulatory responses such as the EU Green Claims Directive, which requires brands to verify sustainability statements through third-party evidence. This skepticism shapes not only regulatory action but also retailer expectations, raising the standard for claim substantiation across markets. Consumers are reshaping the global standard for transparency built on proof, not promises.

Older generations are also aligning with this trend,<sup>21</sup> closing the gap as sustainability becomes the ethical choice making both synonymous with trust. Across generations, the expectation for clear evidence continues to rise. Together, these consumers are turning intention into expectation, driving an industry where sustainability isn’t an aspiration but a standard.

## Pet parents are much more likely to purchase sustainable products.



**62%** bought an environmentally friendly product in the past month (vs only 46% of non-pet owners) +16 pts\*

# Redefining Value for the Pet Industry

For today's pet parents, quality is inseparable from responsible transparency. While affordability continues to be a top consideration, a product's worth is also measured by how transparent the brand is about how it's made, sourced, and packaged. More than four in ten pet parents actively avoid products with a lot of packaging, and see compostable, recycled, and reusable packaging as the most environmentally friendly<sup>22</sup>. Consumers are making it clear that they are choosing brands aligned to their values when the claims seem real.

This consumer mindset around expecting more credible values-driven claims helps make the shift from a simply conscious to a confident consumer. Products with measurable attributes like recyclable packaging, verified sourcing, and transparent claims are leading the way on growth.

**For pet brands, this new definition of value brings both opportunity and accountability.**

- Opportunities:** From ingredient selection to packaging design to distribution and brand storytelling, pet parents see sustainability as an expression of health, quality, and integrity - the same qualities that define their bond with their pets.
- Accountability:** Sustainability must now be built into every layer of the value chain, be verifiable, and be clearly communicated.



Sustainability has moved from a niche aspiration to a mainstream expectation, but affordable and accessible sustainable pet products still lag behind other CPG categories. This gap signals a clear unmet demand and a major opportunity for the companies willing to lead. Brands that choose transparency, credible action, and verified sustainability are not only aligning with what consumers expect, they are also strengthening their position against tightening regulations, shifting retailer requirements, and growing reputational risk. In a market where sustainability is increasingly linked with trust, proof has become the price of entry and the companies that can demonstrate verified progress at scale will be the ones that earn lasting loyalty and shape the future of the category.

# Turn Insights Into Action: Activating Consumer Trust

The trends in this insight highlight a clear reality: while affordability still guides many decisions, consumers increasingly look for signals of responsibility when other factors are equal.

Responding to these expectations with clarity, credibility, and consistency is now essential to staying competitive. To turn consumer expectations into long-term competitive advantage, companies must move from marketing messaging to science-backed and third-party validated claims.



**Companies must move from  
marketing messaging**



**to science-backed and third-party  
validated sustainability claims.**

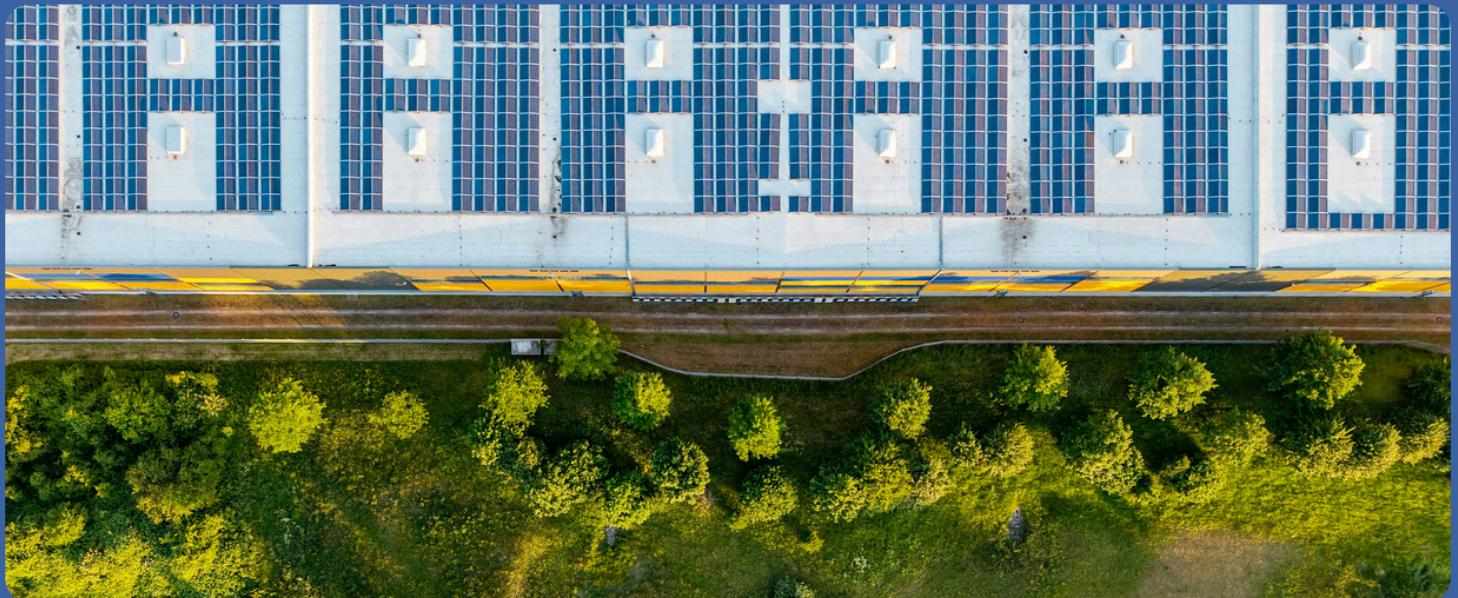
## Action steps for pet industry leaders:

- 1. Substantiate Every Sustainability Claim:**  
Across packaging, marketing, digital channels, and retailer information, ensure every environmental or social claim is backed by credible third-party verification. This includes validating packaging materials, ingredient sourcing practices, and carbon footprint data to maintain accuracy and avoid greenwashing risk.
- 2. Integrate Transparency into Storytelling:**  
Make all verified sustainability information visible and accessible across touchpoints. Incorporate tools like QR codes and digital disclosures that connect consumers directly to the data behind your claims, reinforcing clarity and trust.
- 3. Engage through Authenticity:**  
Communicate progress with honesty and intention. Share measurable achievements alongside areas still in development to demonstrate accountability, build loyalty, and reinforce your brand's commitment to continuous improvement.

## KEY INSIGHT 2

# Sustainability Drives Business Value

The pet industry is at an inflection point where authentic sustainability can be a core driver of market advantage and risk mitigation. The pet industry has a huge opportunity to increase sustainability across the full value chain and embed it in business operations to optimize returns. Companies are moving from a “do no harm” mentality to recognizing how sustainability is inextricably linked with business success. There is real value in focusing on sustainability impact, a value that employees and consumers alike hold as an important attribute.



## Resilience as a Value Lever

Compliance is shifting from a reactionary mandate to a foundational driver of voluntary efficiency and long-term business resilience. In 2025, 54% of CEOs linked sustainability directly to business performance, up from 34% in 2018<sup>3</sup>.

- **Operational Excellence:** Initiatives initially driven by compliance, such as emissions reporting, minimizing process waste, or optimizing energy use, lead directly to Operational Cost Savings and the maximization of resource utility. Companies that integrate high environmental standards into their core operations before regulation is mandated, and strategically beyond the minimum of what's mandated, gain significant advantages in market access and financial resilience.
- **Innovation as an Enabler:** The necessity to comply with new standards (e.g., using circular materials, reducing packaging) forces the development of new solutions, turning regulatory hurdles into a catalyst for product and process innovation.

- **Attracting & Retaining Strong Talent:** Strong Environmental, Social, Governance (ESG) performance is a key differentiator in the labor market, helping to attract top talent and engage employees through organizational purpose. According to the *2025 Purpose Perception Study* by Porter Novelli, when a company leads with purpose, respondents were 78% more likely to want to work for that company and 72% more likely to be loyal to that company<sup>x</sup>.
- **Data-Driven Decision Making:** Rigorous disclosure frameworks (like CDP, formerly the Carbon Disclosure Project) and regulatory requirements (like CSRD, the EU's Corporate Sustainability Reporting Directive) mandate the capture of decision-useful data on energy and water consumption, emissions, and value chain dependency, improving business intelligence and enhancing overall supply chain visibility.

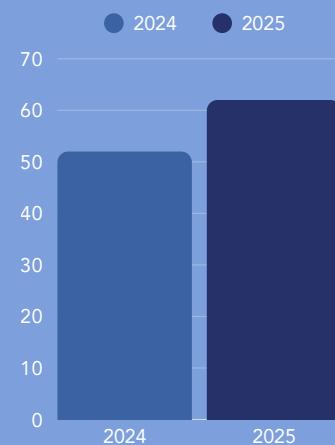
# Mitigating Material Financial Risk

Risk related to environmental impacts could hinder financial performance. This material financial risk includes everything from increasing material costs, business disruption from weather-related events, and more catastrophic risks like global food and agricultural systems that supply the pet industry becoming destabilized by climate change.

- **Understanding Substantive Financial Risk:** CDP's recently released report, *The Disclosure Dividend 2025*<sup>7</sup>, highlights a growing shift: disclosure is no longer just about transparency; it's becoming an economic imperative. Companies that understand how environmental risks affect their business, and can credibly disclose the related data, are better positioned to unlock returns and avoid rising risk-mitigation costs.
- **Protein & Ingredient Volatility:** Global meat and fish sourcing, which forms the backbone of most commercial pet food, is extremely exposed to weather-related risk.
  - **Example:** Extreme heat and drought impacting North American or South American feed crops (like soy or corn) drives price volatility. Similarly, government mandates prioritizing renewable fuel are creating direct competition for animal fats and oils, causing critical ingredient costs to double or triple.

- **Water Stress in Manufacturing:** Pet food processing, especially for wet-canned products, is water-intensive. Widespread water scarcity can force pet product manufacturers to transport water in or scale back production in high-stress areas.
- **Increased Operating Costs & Liability:** The increasing frequency of climate-related disasters translates directly into higher logistics costs, escalating packaging material costs, and rising insurance premiums for facilities and inventory.
  - **Quantifiable Cost:** For example, the European Union's agriculture sector is already losing €28 billion each year as a result of extreme weather. These costs are set to grow as the environmental crisis grows.

## Sustainability investment grows despite uncertainty

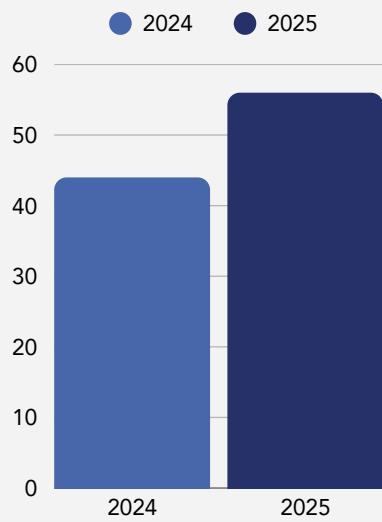


62% of business leaders plan to increase sustainability investments in 2025, a 10% jump from last year.

Source: Capgemini Report - Navigating uncertainty with confidence: Investment priorities for 2025

# Turn Insights Into Action: Operationalizing Resilience

The insights in this key finding make one point clear: companies that treat sustainability as a core operating principle, not a compliance exercise, are better positioned to reduce risk, unlock efficiency, and strengthen long-term resilience. When environmental performance and reducing the related financial risk become part of how a business runs every day, it can drive measurable value from cost savings and supply chain stability, to innovation, and investor confidence. These actions can help companies move from excellence in regulatory compliance to building a proactive advantage by identifying key opportunity areas.



**56% of respondents said that sustainability actions helped drive supply chain resiliency, up from only 44% last year.**

Source: Report - The Sustainability Value Triangle<sup>9</sup>

## Action steps for pet industry leaders:

- 1. Integrate Sustainability into Core Operations:** Embed environmental considerations into everyday decision-making. This should start with strategic planning and move through procurement, facility operations, product development, packaging design, and vendor selection. Each step in the process can strengthen resilience and reduce operational risk while also embedding sustainability into governance models.
- 2. Build (Climate) Resilience by Advancing (Enterprise) Risk Management:** Prioritize consistent risk assessment and measurement of environmental impacts, including use of emissions, water and other material resources. Understand regulatory drivers impacting your reporting, and outline the vulnerabilities that could disrupt business to make informed strategic decisions.
- 3. Leverage Excellence in Compliance to Drive Efficiency & Innovation:** Use emerging regulatory requirements and disclosure frameworks as opportunities to embed environmental impacts into measurement, streamline processes, modernize systems including those driving energy efficiency or sustainable packaging, improve resource efficiency, and strengthen your competitive position in a rapidly evolving landscape.

## Protein Is a Vulnerability and an Opportunity

As climate and resource pressures intensify, protein sourcing has become a strategic priority for the pet industry. Life cycle data clearly shows that shifting from whole meat to co-products or from higher footprint proteins such as beef to lower footprint proteins like chicken can significantly reduce environmental impact. At the same time, integrating emerging sourcing options such as cultivated, fermented, insect, or plant based proteins can lower risk and support long term sustainability goals.

### KEY INSIGHT 3

Sustainability Focus is  
on Foundational Strategy  
and Baseline Data

# Understanding Where We Stand

In 2025, the PSC launched the PSC Annual Benchmark Assessment, the first comprehensive snapshot of sustainable business practices for companies in the pet industry. Developed with reference to global standards like the Taskforce on Climate Related Financial Disclosures framework (TCFD) and the EU's Corporate Sustainability Reporting Directive (CSRD), this tool is designed to give companies of all sizes a foundation of strategic insights to build future impact. The inaugural Assessment supports data collection to establish a baseline, from which future organizational progress can be built and measured on the company and industry level. By aggregating the 2025 responses, we have synthesized the data into actionable insights that help define an initial baseline and highlight key takeaways for the year ahead.

Data collected through The PSC Benchmark, as well as themes from other industry research and sustainability reports, reveal which areas of sustainability companies across the pet industry are prioritizing and where critical gaps remain.

Overall, the results of the PSC Benchmark, complemented by PSC's direct member engagement, indicate the pet industry is in early-to-mid stage sustainability maturity. While a wide range of leadership exists, data shows significant work is needed to accelerate industry-wide adoption. Key next steps include driving public commitments, establishing governance, integrating sustainability into business strategy, expanding climate action (beyond basic emissions measurement), increasing pre-competitive collaboration across the industry and improving risk mitigation intelligence.



# Structuring Disclosure and Governance for Strategic Readiness

**Establishing a Public Commitment to (Advancing) Sustainability:** This is the baseline for setting forward-looking ambition and embedding engagement across an organization. A significant majority of companies are ensuring stakeholders understand their sustainability strategy and goals. Over half (54%) of companies that completed The PSC Benchmark have a public-facing sustainability statement, providing a broad declaration of their commitment, which can include ambition, approach, values-driven priorities, and general intentions<sup>1</sup>.



**Strategic Integration (Governance):** 56% of companies report that sustainability is integrated into their company strategy and decision-making processes according to PwC's *Global Sustainability Reporting Survey 2025*<sup>8</sup>. The PSC Benchmark results were similar with 54% responding "Sustainability is integrated into company strategy and financial planning", showing alignment between The PSC Benchmark respondents and broader corporate trends. Strong sustainability governance is rapidly becoming mainstream, as a strategic business function, moving it from a peripheral concern to a core decision driver. The strong percentage of companies that integrate sustainability into strategy and decision-making processes, demonstrates that leaders view environmental, social, and governance (ESG) factors are central to business performance. This strategic shift is structurally supported by high-level accountability: 79% of PSC Benchmark respondents feature a formal sustainability role or team, often reaching the highest levels of leadership to ensure cross-functional integration and effective execution across all core management functions.

**Voluntary Reporting:** 42% of PSC Benchmark respondents publish a formal sustainability report on a regular cadence, showing a strong commitment to transparency that often exceeds current regulatory requirements<sup>1</sup>.

# Establishing the Baseline for Climate Action

The PSC's Benchmark and member data confirm the pet industry's commitment to climate action, though it is still developing foundational Scope 3 value chain emissions measurement and reduction strategies.

**Sustainability Reporting - The Scope 3 Gap:** Based on data collected through The PSC Benchmark, while 64% of companies measure their operational Scope 1 and 2 emissions, only 40% extend their measurement to the area where the greatest environmental risks exist: Scope 3 (value chain) emissions<sup>1</sup>. This seems inline with broader trends. According to the *MSCI Net-Zero Tracker* (April 2024 report, which covered data through January 2024) only 42% of public companies globally are reporting on at least some of their Scope 3 emissions. CDP data as of June 2024 estimates that 90% of a company's total carbon footprint comes from the value chain emissions measured in Scope 3<sup>6</sup>. This includes upstream impacts like ingredient sourcing and downstream operations like distribution and transportation, as well as the end-of-life impacts of a product. Reporting beyond emissions across the value chain and within owned operations is an additional important aspect of sustainability reporting, such as social metrics. Holistic sustainability reporting, across all areas of operations and the complete value chain, remains the industry's largest comparable measurement gap and a key area for future focus.

- Climate Action & Ambition:** Half of respondents to The PSC Benchmark, (50%) disclosed that they are "in the early stages" of their climate journey and that their "climate action plan is evolving." This is supported by 43% of respondents sharing they currently have formal Emissions Reduction Initiatives in place<sup>1</sup>.

- **Top Environmental Focus Areas:** The highest reported environmental focus areas, as stated in the sustainability reports we reviewed, demonstrate a clear commitment to climate action with a specific focus on energy transition and efficiency:

- Renewable Energy Increase: **81%**
- Energy Usage Reduction: **75%**

We're starting to see a shift from simply reporting on GHG emissions to decarbonization efforts, such as actively transitioning to alternative energy sources, both out of opportunity and necessity.

- **Alignment with Global Goals:** Companies are focusing their sustainability efforts on highly relevant global challenges where shared action is necessary. Alignment with the United Nations Sustainable Development Goals (SDGs) highlights this strategic focus as well as a holistic approach to impact, not just environmentally focused. The top 3 SDG's PSC Benchmark respondents align to are:

- SDG 12: Responsible Consumption and Production – **77%**
- SDG 13: Climate Action – **68%**
- SDG 3: Good Health and Well-being – **59%**

- **Social Impact Focus within Sustainability Reporting:** 36% of respondents to The PSC Benchmark reported community support and volunteer time as one of their sustainability actions. Additionally, Nearly every PSC Accredited company highlights donation metrics, local community impact, and employee volunteerism. This strength pairs effectively with the consumer insight that ethical claims outperform environmental claims and the larger commitment to sustainability beyond a strict environmental focus .

# Embedding Risk Management

Climate Risk is an important element of Enterprise Risk Management (ERM) and critical to business continuity planning and overall business strategy. Measurement and mitigation starts with identifying the most material environmental and social impacts to the business. The completion of a materiality assessment across ESG factors is essential for aligning corporate action with realities within the sustainability landscape.

- **The Power of Governance in Risk Assessment:**

While only 24% of members who responded to The PSC Benchmark have completed a formal ESG materiality assessment, the broad (56%) integration of sustainability into business strategy shows a proactive intent to manage environmental and financial risks. Beyond our benchmark and the industry specifically, 82% of global public companies (in a sample of 3,814) disclosed information aligned with at least one of the eleven TCFD recommended disclosures in fiscal year 2023<sup>13</sup>. This signals the connection of environmental risk to a company's bottom line by integrating substantive climate-related risk and opportunity into a company's mainstream financial reporting.

# 56%



of respondents to The PSC Benchmark said **sustainability is integrated into corporate strategy.**

- **Influence on Strategy:** When asked, "Have sustainability-related risks and opportunities influenced your company's strategy and/or decision making?" 56% of respondents to The PSC Benchmark said sustainability is integrated into corporate strategy. Growing regulatory and shareholder correlation of sustainability-related risk to financial performance is driving more deeply embedding environmental risk into risk management processes. Leveraging TCFD-aligned reporting, which centers on decision-useful information about climate-related risks and opportunities, provides a valuable framework being used in corporate strategy today.

According to CDP disclosure data in 2023, 63% of disclosing companies identified climate-related opportunities with some outlining potential financial or strategic impact<sup>5</sup>. The 2024 CDP disclosure data dashboard reveals companies reported nearly \$5 trillion in climate-related opportunities; that figure has more than doubled from five years prior, demonstrating corporate efforts have moved past initial risk identification to actively assessing profitable business for the transition<sup>6</sup>.

- **Nature Risk as a Business Priority:** Nature and biodiversity risk awareness is on the rise. Based on responses in The PSC Benchmark, for companies reporting in alignment with the UN SDGs, life on land and life below water, were top areas of focus. According to the State of Nature-Related Disclosures<sup>20</sup>, the most pressing nature-related issues faced include land use change, exploitation of raw materials and water scarcity<sup>10</sup>. These are all critical issues to the pet industry and demand closer attention to resource management and impacts.

# Turn Insights Into Action: Setting the Stage for Future-Proofing

The insights in Foundational Practices Rise in Priority show that strong foundational practices are no longer optional, they create the structure that enables credible sustainability performance, regulatory readiness, and strategic planning. Companies that build disciplined systems for measurement, governance, and disclosure gain clearer visibility into risks, unlock operational efficiencies, and create a stronger platform for future growth. These actions can help turn foundational practices into meaningful and lasting impact.

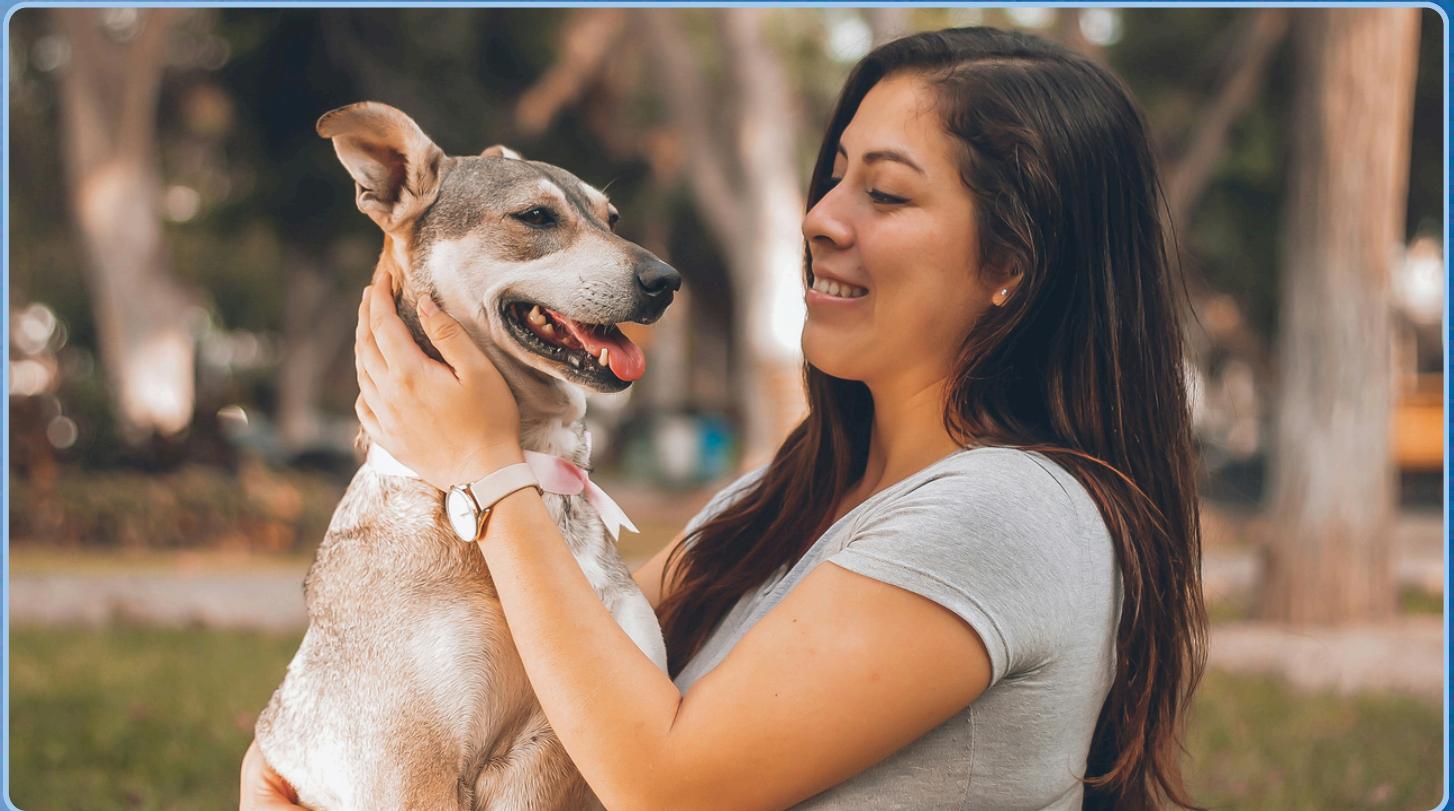


## Action steps for pet industry leaders:

- 1. Build Strong Sustainability Governance:**  
Clarify roles, responsibilities, and oversight for sustainability across leadership and operational teams to ensure that goals, decisions, and initiatives are aligned and consistently managed.
- 2. Embed Measurement of Key ESG Material Topics:** Prioritize measurement of those areas that are most material, such as operational emissions, value-chain impacts, resource use, and business disruption. Do this in an effort to build the decision-useful data needed for credible reporting, climate strategy, and long-term planning.
- 3. Incorporate ESG Risk Into Enterprise Risk Management Processes:** Use climate-related risks, nature-related impacts, and material findings to guide future planning, resource allocation, and investment decisions across the business to specifically address those risks.

# Summarizing Key Insights: The Mandate for Long-Term Resilience

The 3 key insights presented - Pet Parents are Passionate for Sustainable Products, Sustainability Drives Business Value, and Sustainability Focus is on Foundational Strategy and Baseline Data - paint a clear picture that despite the early stage maturity, taking action on environmental performance needs to be prioritized. The data shows that embedding and prioritizing sustainable progress also drives market resilience, consumer relevance, and competitive growth. The choice facing industry leaders is no longer if they should invest in sustainability, but rather how quickly they can prioritize key areas of risk and opportunity and then integrate their measurement across the business to meet regulatory and consumer expectations.



## The Cost of Inaction

Failing to correlate environmental risks with business resilience and growth can lead to quantifiable financial impact. As detailed in the Material Financial Risk section, the cost of inaction is immediately measurable in terms of supply chain volatility and increasing overhead. Climate-driven disruptions, from volatile ingredient prices to rising insurance premiums, are direct financial burdens that transform risk management from simple avoidance into a critical function for ensuring stability today. And in the Consumer Trends section, inaction can carry reputational risk: pet parents are increasingly rewarding brands that provide credible, substantiated sustainability performance, and shifting away from those that cannot demonstrate progress.

## From Compliance to Value Creation

By strategically embedding measurement and reporting of environmental impacts, companies can go beyond simply mitigating risk to transitioning areas of business operations to drive increased efficiency, future-proof their value chain, and maintain and grow a competitive advantage. By leveraging regulatory requirements and excellence in compliance, companies are not just satisfying legal mandates; they are streamlining operations, improving resource efficiency, and strengthening supply chain resilience. Regulatory pressure is fueling innovation, forcing the disclosure of energy data, the redesign of packaging, the pursuit of alternative proteins, and the optimization of logistics. This leads to higher operational excellence, better market differentiation, and premium positioning with consumers.

## Building Resiliency, Holistically

Ultimately, achieving lasting success requires a truly holistic viewpoint and management strategy. Sustainability issues can lead to gaps in business resilience and also place a strain on local and global systems. In addition to expectations of environmental sustainability, consumers are increasingly demanding transparency around ethics and integrity, prioritizing cause-related purchases. In order for sustainability to become synonymous with trust, credible disclosure, and verified performance are essential components of brand reputation. For the pet industry, this mandate requires:

1. **Integrating ESG Metrics** into core financial and strategic decision-making, from the boardroom down to raw material procurement.
2. **Adopting a "full lifecycle" perspective**, recognizing that packaging, waste, and ingredients are all interconnected liabilities or opportunities.
3. **Prioritizing transparency** to build trust with consumers and attract the next generation of top talent.

To be successful, leaders across the pet industry need to move beyond considering sustainability initiatives as a set of constraints, but instead as embedded priorities that help to drive profitability, deeper consumer trust, as well as business continuity and long-term resilience.

# Strategic Outlook for 2026 and Beyond

The pace to drive lasting sustainable change is accelerating. Emerging regulations, advancing technology (including the expanding role of AI), and shifting consumer expectations are converging to redefine what responsible business looks like. As sustainability continues to move from opportunistic projects to standard operating practice, leaders can work to proactively drive growth instead of simply reactively mitigating risk. The Strategic Outlook for 2026 and Beyond explores both the regulatory horizon and the level of innovation required for the pet industry to stay ahead on compliance, investing strategically in sustainable practices and building resilience in a global marketplace requiring increased transparency.



FORWARD LOOKING INSIGHT 1

# Consumers Will Demand Transparency

## What is Happening

As sustainability disclosure becomes standard practice, the expectations behind it are deepening. Meanwhile the regulatory environment is tightening: and regulation is becoming increasingly more stringent around sustainability claims being accurate, substantiated, and transparent.

A 2024 global survey of executives revealed more than 80% of consumers say they are willing to spend more for sustainably produced or sourced goods, and on average the premium cited is 9.7%<sup>17</sup>. Another study found a sustainability premium in the realm of approximately 12% globally<sup>3</sup>. Data from 6-12 months ago shows that consumers are increasingly willing to pay a premium for goods that carry verifiable sustainability credentials. However, in our conversations with retailer members, we are hearing that some purchasing behavior is shifting and products that link health and sustainability are selling well, but just pure sustainability marketed products are starting to suffer on shelf due to global economic uncertainty.

## What this Means for Sustainability Claims

Brands in the pet sector must move beyond simple sustainability statements. If you claim “eco-friendly” or “sustainably sourced” you must be ready to show the data.

- The EU Green Claims Directive<sup>22</sup>(adopted by the European Commission) now places binding obligations on environmental claims in the EU/EEA, including requirements for life-cycle thinking and third-party verification.
- Consumers will reward transparency<sup>19</sup>. Trust in sustainability claims drives loyalty, meaningful premium pricing, and competitive differentiation.

## How to Drive Transparency: Measurement, Verification, Reporting

To work toward best-in-class transparency, companies must build a strong foundation in:

- **Measurement:** Capture data in all material areas of sustainability including resource management (energy & water), raw material use, sourcing and manufacturing practices, packaging innovation, supply-chain impacts, waste and end-of-life scenarios.
- **Verification:** Use third-party certification, audits or verified supply-chain traceability so you can confidently market the claim and avoid consumer distrust and regulatory compliance issues. Regulators and consumers expect substantiation of claims through third-party certifications.
- **Reporting:** Align with credible frameworks and disclosures. Because transparency is increasingly expected, your company should prepare to publish credible data, support retailer/SKU level disclosures, and integrate sustainability metrics into product lines.
- **Storytelling:** Transparency doesn't mean throwing technical terms and spreadsheets at your customers. It means making information available to the conscious consumers who want it, and translating it to the masses in a brand-authentic and inspiring way.

## FORWARD LOOKING INSIGHT 2

# US and EU Legislative Pressure Will Intensify

## What is Happening

U.S. federal climate action remains inconsistent, while state policies and global rules accelerate. The result is a patchwork of obligations across markets that encourages brands to design for interoperability, focusing on the strictest jurisdiction rather than wait for one standard. Commentary from leading policy analysts anticipates reduced momentum at the federal level under current priorities in the U.S., but globally the market is rapidly shifting from voluntary guidelines to mandatory requirements that govern reporting, sourcing, and packaging across the value chain.

However, already in the U.S., a coalition of states under The Climate Alliance representing approximately 60% of the economy have committed to net zero emissions by 2050<sup>12</sup>, proving that while a national standard is not likely in the near term, state level action is still very much in effect across the U.S. For example, California's SB 253 and SB 261 together require large companies doing business in the state to measure and publicly report their greenhouse gas emissions and to disclose the climate related financial risks they face along with the strategies they are using to manage those risks. At the time of this report's publication, the first major reporting deadline for SB 261 has been temporarily suspended pending an appeal. While the EU has committed to 55% emissions reductions by 2030 and net zero by 2050<sup>25</sup>.

Increased legislation is underscored by the rapid pace of adoption of Extended Producer Responsibility (EPR) regulations for packaging, forcing brands to quickly come into compliance, increase reporting and plan for design changes to potentially reduce future fees.

## What This Means in Practice

The market is rapidly shifting from voluntary guidelines to mandatory, interlocking legal requirements that govern reporting, sourcing, and packaging across the entire value chain. Although it can be extremely resource intensive and costly to address individual regulation requirements as they vary by municipality, city, state, and country, creating a sustainability roadmap built on the most stringent regulations is the best approach to future-proofing your business. Increased efficiency, productivity, and driving real sustainable change are all benefits commonly found through increased sustainability reporting.



# Key Regulations to Monitor

## 01 European Union Accountability & Reporting

The EU has established the most comprehensive legal framework, affecting tens of thousands of global companies with significant EU operations.

- Corporate Sustainability Reporting Directive (CSRD<sup>23</sup>) & EU Taxonomy<sup>25</sup>: Initial reports began for some companies in fiscal year 2024 and the scope continues to phase-in during 2025 and beyond, with ongoing debate about timing relief for smaller firms.
- The CSRD expands mandatory, assured sustainability reporting, which is immediately applicable to some large companies. This reporting relies on foundational standards like the EU Taxonomy Regulation, which defines what economic activities are environmentally sustainable (based on six objectives) and requires companies to disclose the proportion of their revenue, CapEx, and OpEx aligned with those standards.
- Accountability Directives (CSDDD, EUDR, GCD): New laws enforce immediate, concrete action, starting with the EUDR deadline for large companies in December 2025, followed by the first phase of CSDDD beginning in July 2027 and the GCD applying shortly after, likely in 2027/2028.

The Corporate Sustainability Due Diligence Directive (CSDDD) mandates that large companies prevent and mitigate adverse human rights and environmental impacts throughout their entire value chain. This due diligence is reinforced by the EU Deforestation Regulation (EUDR), which specifically restricts placing products linked to deforestation on the EU market. Finally, the EU Green Claims Directive (GCD) requires all environmental marketing claims to be verifiable and substantiated by data collected under the CSRD.

## 02 European Union Waste Framework<sup>24</sup> (Packaging & Product Focus)

- Packaging and Packaging Waste Regulation (PPWR)<sup>26</sup>: The regulation officially applies from August 2026 with the key mandates that all packaging must be recyclable by 2030, with minimum recycled content targets for plastics.
- PPWR moves the EU's packaging requirements from a directive to a directly applicable regulation, establishing binding, harmonized outcomes for all packaging placed on the EU market, regardless of origin. The PPWR also sets reuse targets (e.g., for transport and grouped packaging) and bans certain single-use plastic formats.

## Key Regulations to Monitor Continued

### 03 United States Climate & Waste Legislation

- California SB 253 and SB 261 (Climate Disclosure): These laws create the most far-reaching climate disclosure requirements in the U.S., driving improvements in data accuracy and governance globally.
  - SB 253 (GHG Emissions)<sup>27</sup>: Requires large companies (over \$1 billion in revenue) doing business in California to publicly disclose their GHG emissions across Scopes 1, 2, and eventually 3. First reports are currently proposed to be due in August 2026.
  - SB 261 (Climate Risk)<sup>28</sup>: Requires companies (over \$500 million in revenue) to report every two years on climate-related financial risks aligned with the TCFD. First reports were originally proposed to be due in January 2026, but that deadline (as of Dec. 2025) has been temporarily suspended by a U.S. appeals court pending further legal review, though companies may still report voluntarily.
- U.S. State Extended Producer Responsibility (EPR) for Packaging: The first reporting deadline began in 2025 with the state of Oregon followed by Colorado and California, with each state having different covered material categories. 2026 will see continued reporting deadlines with the addition of Maine, Minnesota, Maryland and Washington state as well as fees/dues from the leading states.
  - Seven U.S. states have enacted EPR packaging laws (including California, Colorado, Maine, Maryland, Minnesota, Oregon, and Washington)<sup>26</sup>. These laws shift the cost and operational responsibility for the end-of-life management of packaging from consumers to producers. Compliance requires registering with a Producer Responsibility Organizations (PROs), paying fees based on material category and volume sold into each state.

### 04 Canadian Disclosure Standards (ISSB Alignment)

- Canadian Sustainability Disclosure Standards (CSDS)<sup>29</sup>: Effective as of January 1, 2025, on a voluntary basis, and expected to influence future mandatory requirements and investor expectations, requiring early preparation.
- Canada's new national framework for reporting sustainability-related financial information is built on the global International Sustainability Standards Board (ISSB) disclosure standards (IFRS S1 and S2). These standards require companies to disclose how sustainability risks and opportunities affect their business model, alongside detailed climate information.

### 05 European Union Waste Framework Directive

- The specific packaging regulation under this EU Directive, the Packaging and Packaging Waste Regulation or PPWR, sets binding outcomes. These include all packaging placed on the EU market must be recyclable by 2030, with specific minimum recycled content targets in both 2030 and 2040. This moves from a directive to a directly applicable regulation, which sets expectations for producers selling into the EU globally.

# Future Expectations for 2026-2028

## 1. More States Join EPR with Divergent Fee Structures

EPR first emerged in Europe in the pre-2000s and is now widely adopted across Global North & South. We've also seen a rapid expansion of EPR laws across the U.S. with 7 states enacting comprehensive packaging laws since adoption in 2021<sup>28</sup>. This leads us to predict that several additional U.S. states will pass packaging EPR or related plastics policies by the end of 2027. Producer responsibility organization choices and modulated fee formulas will differ, so brands will need to navigate multiple registrations and reporting calendars. Eventually, companies will need to evolve from just needing to report packaging material use to actually designing to a more sustainable packaging and eco-modulation.

## 2. Sustainability Claims Regulations & Product Transparency Will Grow

We predict that sustainability claims will become significantly more regulated in the coming years as governments work to eliminate misleading marketing and strengthen consumer trust. The EU is already advancing its Green Claims Directive<sup>22</sup>, and history shows that EU sustainability policies often influence or migrate to the U.S., especially in states such as California. As these standards tighten, companies in the pet industry should expect stricter oversight, clearer guidance on acceptable claims, and a growing need for verifiable data to support every environmental statement they make.

## 3. EU Momentum on Recycled Content and Design Rules Influences U.S. States

The EU Waste Framework Directive launched the current approach to EPR, which later guided the design of U.S. state EPR laws for packaging in Maine, Oregon, Colorado, and California. In addition, several major EU packaging rules such as recycled-content targets and single-use plastic restrictions began with the EU Single Use Plastics Directive in 2019 and helped spur similar state level actions in the United States. This leads to our prediction that EU requirements on recyclability and recycled content will continue to drive specifications that U.S. retailers and states begin to reference in voluntary standards and procurement, especially for store brands, pouches, and rigid containers common in pet categories.

## 4. EU PPWR Drives Growth in Recycle Ready Packaging & Lowers Costs

PSC's membership contains over a dozen packaging suppliers. Feedback from them leads us to confidently anticipate that recycle-ready or mono-material flexible plastic packaging will become the standard in Europe within a few years. This will lead to faster integration with multi-national brands that sell in the EU as well as the U.S. and beyond. This will increase scale and drive packaging suppliers to innovate and optimize, reducing costs for the material and making it easier for brands to make the shift.

For pet industry companies this will mean a stronger push to measure and report greenhouse gas emissions, packaging impacts, sourcing practices, and other material sustainability risks that influence cost, resilience, and consumer trust.

## Future Expectations for 2026-2028 Continued

### 5. Single Use Plastic Rules Expand Into Labeling & Reuse Targets

Regulations such as California's SB 343, which establishes strict criteria for recyclable labeling to prohibit misleading claims, along with Colorado's EPR law for packaging, which requires producers to strengthen labeling accuracy and support consumer education, demonstrate a clear shift toward more detailed packaging oversight. These developments support our view that states will broaden their requirements to include recyclability labeling, contamination reduction measures, and reuse system standards. As this trend continues, labeling systems are expected to evolve, with the potential to gain wider global acceptance, and help consumers better understand where and how materials can be recycled.

### 6. The Canadian Sustainability Disclosure Standards (CSDS) Expand from Voluntary to Mandatory

The CSDS are likely to expand from today's voluntary framework into a widely expected baseline for transparent sustainability reporting across Canada. Over time regulators, investors, and large retailers will begin to treat CSDS aligned disclosures as a standard part of doing business, especially as climate risk and supply chain scrutiny intensify. For pet industry companies this will mean a stronger push to measure and report greenhouse gas emissions, packaging impacts, sourcing practices, and other material sustainability risks that influence cost, resilience, and consumer trust. Early adopters will be better positioned to meet retailer expectations, secure investment, and demonstrate true leadership in a market that increasingly rewards verified sustainability performance.

## Regulatory Action Checklist for Pet Industry Companies

- Develop an internally and externally shared sustainability strategy and roadmap that can help chart your priorities. An ESG foundational project like Materiality Assessment can support that effort and will likely highlight necessary actions including measuring GHG scopes 1 & 2.
- Design to the strictest foreseeable regulations, such as California's EPR and EU PPWR legislation.
- Conduct a sustainability claims review of your products. Any claims that are not backed up by credible and acceptable certifications should be removed or adopt certifications to back up environmental claims.
- Find a tool to help your team understand the EPR compliance requirements across the U.S. The Circular Action Alliance (CAA) is the authority and a beneficial resource, acting as the Producer Responsibility Organization (PRO), overseeing many of the US states mandated programs.
- Build assurance ready sustainability reporting workflows that can support required regulatory reporting for your brand such as CSRD and CA SB 253. Having data readily available will help support those filings as well as requests from business partners including retailers and investors.

### FORWARD LOOKING INSIGHT 3

# Innovation Will Accelerate in Proteins, Circular Packaging, and Pet Health

## What is Happening

Innovation is a key driver toward PSC's vision of a *sustainable future where every choice for pets supports a thriving planet*. In 2026, PSC expects that industry leaders will continue to pave the way through innovations addressing the pet industry's biggest impacts, including climate, material and ingredient sourcing, and packaging. Companies will increasingly recognize that real progress requires action across the entire supply chain and that many goals cannot be reached without working closely with competitors and upstream partners. This collective approach to innovation will unlock solutions that no single company could achieve on its own.

## What This Means for the Pet Industry

As we examine the evolving regulatory landscape and hear from our members what their key stakeholders care about most, we expect the following four key areas to gain momentum in 2026.

### Understanding the Environmental Trade-offs of Protein Choices

Protein use and availability remain the most significant environmental impacts in pet food and treats, but the sustainability profile of any given diet depends on a complex set of trade-offs. Appropriate nutritional needs can be met, or missed, with a variety of dietary ingredients and processing methods and each pet can benefit from a diet specific to their needs. Diversifying protein sources while also considering their environmental impacts is becoming exceedingly important for the pet industry.

Traditional kibble diets often rely on co-products and by-products – the nutritious parts of the animal

that humans typically don't consume. This whole-animal utilization reduces waste and can meaningfully lower the greenhouse gas intensity of formulations.

At the same time, the growing popularity of human grade diets reflects consumer interest in cleaner sourcing, minimal processing, and fresh or frozen formats. These products appeal to pet owners who value ingredient familiarity and transparency, but they also come with their own environmental considerations related to sourcing and the energy required for refrigeration and cold-chain distribution. These approaches are not better or worse, but represent a different set of sustainability trade-offs compared to traditional kibble formats.

We believe more research needs to be done here and right now, rather than a single "best" option, the industry and consumers face a set of valid but competing sustainability priorities. Whole-animal utilization can help reduce waste and emissions, while human grade diets use minimal processing and more transparent ingredient integrity. Both can drive consumer choice and trust.

Novel proteins, including insects, invasive fish species, fermentation-derived ingredients, and other emerging options are also playing an increasingly important role in balancing nutrition, climate resilience, and biodiversity protection. These ingredients are not simply alternatives but important tools to diversify the future protein portfolio for pets in a more sustainable, systems-minded way.

The path forward will require navigating these trade-offs thoughtfully while also accelerating innovation. PSC is committed to supporting the industry in continuing to better understand the impacts of pet consumables and advancing more sustainable approaches.

## Voluntary Investment in Circularity

As mandatory EPR regulations focus on conventional recycling streams, forward-looking pet food brands will voluntarily invest in solutions for materials that remain hard to recycle, especially plastic films and flexible packaging like pouches and bags. Flexible films dominate the pet food aisle but are rarely accepted in municipal systems, making them a persistent waste hotspot and an area where minimum compliance falls short. To address this gap, leading companies will co-invest in dedicated film-recycling programs, pilot new collection models, or support infrastructure upgrades that enable true circularity. These voluntary, industry-driven efforts will become a key differentiator for brands that want to demonstrate leadership beyond regulatory requirements.

## Finding Shared Wins between Pet Health & Sustainability

The intersection of pet health and sustainability has emerged as a major engine for innovation and market differentiation. Advances in precision and personalized nutrition such as wearables, feeding-tracking apps, and tailored diet formulations will be

marketed as dual-benefit tools: improving pet health while reducing overfeeding and food waste. This approach connects sustainability to core consumer purchase drivers, reframing it not as a tradeoff but as an enhancement to performance, longevity, and pet wellbeing. As companies link environmental benefits to tangible improvements in pet health, sustainability will become more intuitive, more desirable, and more central to product value propositions.

## Leveraging Collaboration to Accelerate Innovation

Pre-competitive collaborations that bring industry leaders to the same table support the advancement of the industry's sustainability impact. PSC's Pet Specialty Store-Drop-Off (SDO) Action Collaborative is one example. The collaboration was created to unite industry leaders to tackle the environmental impact of flexible plastic pet food packaging. The group's primary goal is to create a verified, scalable collection model that can influence the evolving landscape of EPR legislation<sup>26</sup>. When the industry comes together, progress accelerates.



# Conclusion & Next Steps

## Now what?

The path forward is hopeful, exciting and achievable but only with heightened industry collaboration and commitment. With clear trends, rising expectations, and new tools emerging each year, pet companies have more direction than ever. The five takeaways below translate this report's insights into actionable starting points, helping your business measure with intention, build resilience, and lead with credibility.

### TAKEAWAY

**01** Consumers expect trust & transparency, not vague claims.

#### WHAT TO DO

Verify all sustainability claims through credible evidence, digital disclosures, or third-party validation to build trust and avoid greenwashing risk.

### TAKEAWAY

**02** Foundational practices are becoming business imperatives.

#### WHAT TO DO

Build the data foundation your business needs by deepening measurement across emissions, materials, and value-chain impacts.

### TAKEAWAY

**03** Compliance is reshaping competitive advantage.

#### WHAT TO DO

Align climate action, packaging innovation, reporting, and operational systems to the strictest relevant regulations to stay ahead of cost, complexity, and shifting global market requirements.

### TAKEAWAY

**04** Climate & nature risks are formally becoming integrated into financial modeling & reporting.

#### WHAT TO DO

Assess climate- and nature-related risks across your supply chain and quantify their substantive risk to your operations to better inform long-term planning and resource decisions.

### TAKEAWAY

**05** Innovation & collaboration will drive the next wave of progress.

#### WHAT TO DO

Engage in pre-competitive partnerships, circular packaging solutions, and shared industry initiatives that accelerate innovation and reduce individual burden.



# How We Help

The Pet Sustainability Coalition (PSC) is a global nonprofit organization that helps the pet industry have a more positive environmental and social impact. PSC provides tools, education, and collaborative initiatives that guide companies toward measurable sustainability progress.

Through programs like Accreditation, industry campaigns, and research initiatives, PSC empowers forward-thinking businesses to build trust with

consumers while creating a healthier future for pets, people, and the planet.

To support this progress, PSC offers practical, measurement-focused services, including GHG Accounting, Materiality Assessments, and Competitive Landscape Reviews. These projects help companies understand their impacts and guide them on their sustainability journey.

## VISION

A sustainable future where every choice for pets supports a thriving planet

## MISSION

To advance sustainability in the pet industry through collaboration, education, and innovation



PSC Staff and Board at the annual Board Retreat  
November 2025



Sustainably marketed brands have grown at double the speed (12.4% vs 5.4% annually)<sup>^</sup>



85% of consumers report experiencing the disruptive effects of climate change first-hand\*



78% of consumers say sustainability considerations are important when choosing to buy a product <

“After 25 years in the industry, I know much still needs to happen to advance sustainability, but because of PSC I’ve seen real progress. They created a movement driving meaningful change for pets, people, businesses, and the planet, with invaluable opportunities to collaborate, learn, and act.”

- Stephanie Volo, Earth Animal

### TRUSTED BY 200+ PET INDUSTRY LEADERS WORLDWIDE



LEARN MORE



### PSC MEMBERS ACROSS THE GLOBE





## Join a Community That Opens Doors

### Credibility & Visibility

- PSC helps members stand out as sustainability leaders through trusted third-party recognition and powerful marketing platforms that build consumer and retailer trust. Get recognized alongside the industry's most trusted brands.
- PSC Accreditation signals verified environmental and social impact.
- Featured in thought leadership webinars, industry case studies, and co-written content
- Opportunities for high visibility sponsorships
- Recognition through PSC's Sustainability Awards

### Sustainability Consulting

- PSC's in-house experts provide hands-on, pet industry-specific guidance to help members take real action, without the cost of private consultants.
- Custom sustainability assessments to benchmark and guide progress
- Support on ESG goals, GHG inventories, and impact projects
- Green claims reviews to ensure transparency and prevent greenwashing
- Strategic guidance on packaging, ingredients, and climate strategy
- Clear translation of complex global regulations

### Collective Impact & Community

- Through community, collaboration, and campaigns, PSC turns big ideas into collective action so members can lead together, not alone.
- Peer cohorts on packaging, ingredients, and more
- Matchmaking with values-aligned collaborators
- Networking and education at global trade shows like Global Pet Expo, Interzoo, Petfood Forum, Petfood Exchange, SUPERZOO, and more
- Impact activations, like Plastic Recovery July and the Packaging Pledge

Membership isn't just about business - it's about being a part of something bigger.

Curious what PSC could look like for your business?



Book a call to learn more.

# PSC Accredited Company Acknowledgement



**ACCREDITED  
BUSINESS**  
PET SUSTAINABILITY



West Paw  
Portland Pet Food  
Open Farm Pet  
Only Natural Pet  
MPM Products  
Morris Packaging  
Mondi  
Molly Mutt  
Moderna Products  
MFiber

Innovafeed  
IND HEMP  
InClover  
Hemp Heros  
Excel Packaging  
Earth Animal  
BetterBone by Blue Standard Inc.  
Agronutris  
AB7 America Inc.

## PSC Accreditation:

The pet industry's only accreditation that measures and verifies sustainable business operations through a third-party assessment of social and environmental impact initiatives. Companies must achieve a minimum required score to earn Accreditation.

## Top Performers:

Companies with the top scores in 2025.



**ACCREDITED  
BUSINESS**  
PET SUSTAINABILITY

Ziwi Pets  
Yak9 Chews  
Woof Pet  
Wellness Pet Food Company  
Walden Mutual Bank  
Vital Pet Life  
United Petfood  
Tyler Packaging  
Tuffy's Pet Treats  
Tuffy's Pet Food  
Tuesday's Natural Dog Company  
Tradin Organic  
The Missing Link  
The Company of Animals  
Tempo Flexible Packaging  
TC Transcontinental Packaging  
Takigawa Corporation  
Sonoco  
Simmons Pet Food  
Roam Pets  
ProAmpac

Primal Pet Foods  
PPC Flexible Packaging  
Polkadog  
Phelps Pet Products  
Petcurean Pet Nutrition  
Pet Select  
PEEL Plastics  
Pawco Foods  
Nylabone  
Nutri-Source  
Northern Pelagic Group  
Nature's Logic  
Natural Pet Food Group  
Natoo Petfoods  
Mid America Pet Food  
Love, Nala  
Law Print & Packaging Management  
Kinn Inc.  
Jollyes  
Itero Life Sciences  
Intersand

Instinct Pet Food  
Hill's Pet Nutrition  
Healthy Pet  
Freshpet  
Finley's  
Fera Pets  
Eco-Shell  
dsm-firmenich  
Corbion  
ClearFur  
Catalyst Pet  
Brutus Broth  
Beaphar  
Austin and Kat  
Archway  
Annamaet Petfoods Inc.  
American Packaging Co  
Alltech  
All American Pets  
Ahlstrom

# Appendix

## A. Industry Benchmarks & Corporate Action

- <sup>1</sup>PSC Benchmark Assessment Data 2025
- <sup>2</sup>PSC Accredited Companies' Data 2025  
<https://petsustainability.org/psc-accreditation/#companies:~:text=Sustainable%20Pet%20Businesses>
- <sup>3</sup>Bain CEO Value Study 2025  
<https://www.bain.com/about/media-center/press-releases/2023/consumers-say-their-environmental-concerns-are-increasing-due-to-extreme-weather-study-shows-theyre-willing-to-change-behavior-pay-12-more-for-sustainable-products/>
- <sup>4</sup>Capgemini: Navigating uncertainty with confidence: Investment priorities for 2025  
<https://www.capgemini.com/us-en/insights/research-library/investment-trends-2025/>
- <sup>5</sup>CDP Disclosure Dividend 2025  
<https://www.cdp.net/en/insights/cdp-2023-disclosure-data-factsheet>
- <sup>6</sup>CDP Disclosure Data 2024  
<https://www.cdp.net/en/insights/disclosure-data-dashboard-2024>
- <sup>7</sup>CDP The Disclosure Dividend 2025  
<https://www.cdp.net/en/insights/disclosure-dividend-2025>
- <sup>8</sup>PwC's Global Sustainability Reporting Survey 2025  
<https://www.pwc.com/gx/en/issues/esg/global-sustainability-reporting-survey.html>
- <sup>9</sup>Sustainability Value Triangle  
<https://www.erm.com/globalassets/insights/sustainability-value-triangle-report-2025.pdf>
- <sup>10</sup>State of Nature-Related Disclosures <https://www.firstsentier-mufg-sustainability.com/research/state-of-nature-related-disclosures.html>
- <sup>11</sup>2025 Purpose Perception Study by Porter Novelli  
<https://porternovelli.com/news/the-2025-porter-novelli-reputation-ranking-purpose-premium-report/>
- <sup>12</sup>U.S. Climate Alliance Commits to Achieve Net-Zero Emissions No Later than 2050  
[https://usclimatealliance.org/press-releases/alliance-2050-netzero-commitment-apr-2021/#:~:text=Launched%20in%202017%20by%20the, and%2055%20percent%20of%20the](https://usclimatealliance.org/press-releases/alliance-2050-net-zero-commitment-apr-2021/#:~:text=Launched%20in%202017%20by%20the, and%2055%20percent%20of%20the)
- <sup>13</sup>IFRS Foundation (2024 Progress Report on Climate-Related Disclosures)  
<https://www.ifrs.org/content/dam/ifrs/supporting-implementation/issb-standards/progress-climate-related-disclosures-2024.pdf>

## B. Consumer Insights

- <sup>14</sup>NielsenIQ 2025 Mid-Year Consumer Outlook  
<https://nielseniq.com/global/en/insights/report/2024/mid-year-consumer-outlook-guide-to-2025/>
- <sup>15</sup>NextIn Pet Industry Consumer Data 2025 collected from surveying 1,213 cat parents and 1,201 dog parents
- <sup>16</sup>BBMG Pet Parent Data
- <sup>17</sup>PwC Voice of the Consumer Survey 2024 -  
<https://www.pwc.com/gx/en/news-room/press-releases/2024/pwc-2024-voice-of-consumer-survey.html>
- <sup>18</sup>Deloitte survey of more than 23,400 Gen Z and Millennials  
<https://www.esgtoday.com/70-of-gen-z-millennials-consider-environmental-sustainability-important-in-choosing-employers-deloitte-survey/>
- <sup>19</sup>3bl Say Less Risk More Report 2025  
<https://3bl.com/insights/say-less-risk-more-sustainability-silence-is-undermining-trust/>
- <sup>20</sup>GlobeScan's 2025 Health and Sustainable Living Study  
<https://globescan.com/trends/healthy-sustainable-living/>
- <sup>21</sup>Genuine sustainability VS. Greenwashing  
<https://www.sciencedirect.com/science/article/pii/S2666789425001217>

## C. Policy & Legislative Landscape

- <sup>22</sup>EU Green Claims Directive (2024)
- <sup>23</sup>EU Corporate Sustainability Reporting Directive (2024)  
<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022L2464>
- <sup>24</sup>EU Packaging & Packaging Waste Regulation (2024)  
[https://environment.ec.europa.eu/topics/waste-and-recycling/packaging-waste\\_en](https://environment.ec.europa.eu/topics/waste-and-recycling/packaging-waste_en)
- <sup>25</sup>European Climate Law [https://climate.ec.europa.eu/eu-action/european-climate-law\\_en#:~:text=The%20European%20Climate%20Law%20sets, and%20solidarity%20among%20Member%20States](https://climate.ec.europa.eu/eu-action/european-climate-law_en#:~:text=The%20European%20Climate%20Law%20sets, and%20solidarity%20among%20Member%20States)
- <sup>26</sup>U.S. State EPR Legislation Summaries (2024–2025) EPR laws in [Maine](#), [Oregon](#), [Colorado](#), [California](#), [Minnesota](#), [Maryland](#), and [Washington](#)
- <sup>27</sup>California SB 253  
[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB253](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB253)
- <sup>28</sup>California SB 261  
[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB261](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB261)
- <sup>29</sup>Canadian Sustainability Disclosure Standards  
<https://www.cpaontario.ca/sustainability/sustainability-reporting-standards/csds-sustainability-reporting-standards>