

# Sustainability at Coles

Food waste and packaging  
June 2018

coles

Good things are happening



coles | Good things are happening



# Our commitment to a more sustainable future

Coles has been proud to serve the Australian community for more than 100 years. We employ over 115,000 team members, work with more than 5,000 suppliers and serve customers through almost 2,500 retail outlets around our country.

At Coles, we believe we have a broader responsibility to the communities we serve and that we can make a positive difference through our decisions and actions.

In 2017, Coles, our customers and team members contributed over \$65 million to our community and charity partners. We also donated 7.2 million kilograms of food to SecondBite, which would otherwise have gone to landfill. In 2018 we are removing single use plastic bags from all our stores nationwide. These are significant achievements, but we know we can do more.

Over the coming months, Coles will release a range of initiatives and commitments to drive more sustainable operations, to reduce our impact on the planet and to help our customers and team members lead healthy lives.

In this document, we set out our commitments that will underpin our focus to reduce packaging and food waste and encourage recycling both within our operations and for our customers.

These commitments are an important first step. We know our journey to becoming a truly sustainable company will take time.

Through the initiatives outlined on these pages, we believe we will help to create a more sustainable future for Coles, our customers and the communities we serve.

**Front cover:** In June 2018, we launched our new range of reusable community bags. These durable, multi-use bags have been designed by school children from across Australia. A portion of sales of these bags will be donated to four community organisations – Clean Up Australia, Little Athletics Australia, SecondBite and Guide Dogs Australia. Pictured with her winning bag design is Cassidy from Ross Creek Woody Yalook Primary School, Victoria.

# Commitment

# 1

## 90% of all waste diverted from landfill by 2022

The main sources of waste from our supermarkets are cardboard, food and plastic. By 2022, we will divert 90% of all waste from landfill through a focus on reduction, reuse and recycling.

### Our achievements and goals

73% of all waste diverted from landfill in 2017.  
**90% of all waste** diverted from landfill by 2022.

**Six million reusable crates** already being used by Coles and our suppliers for fruit and vegetables removing 32,000 tonnes of single use cardboard and polystyrene in 2017.

**Majority of cardboard** already diverted from landfill.



## Case study: Powering up food waste

In 2016, we began providing food waste from our supermarkets in NSW to energy generator EarthPower.

EarthPower, located in the Sydney suburb of Camellia, processes food waste and converts it into green electricity and fertiliser.

The EarthPower facility uses anaerobic digestion technology to convert solid and liquid food waste into a combustible gas similar to natural gas. The digester gas is then recovered and used as a renewable fuel source in cogeneration engines to produce green electricity.

This electricity is then sold to the grid for distribution to domestic, commercial and industrial customers.



# Commitment

# 2

## Halve food waste in Coles supermarkets by 2020

We will halve food waste in our supermarkets by 2020 by donating unsold edible food to people in need and diverting food waste to animal feed, clean energy, fertiliser and compost.

### Our achievements and goals

**Halve food waste** in Coles supermarkets by 2020.

We help transform **organic waste into energy and compost**, and provide farmers with animal feed.

We donate unsold edible food to more than **1,300 community organisations** through SecondBite.



## Case study: Turning food waste into compost

Food waste from around 50 Coles supermarkets in Western Australia is getting a second life by being converted to compost.

Richgro's anaerobic digestion plant in Jandakot takes out of date bread, bakery items, fruit and vegetables and turns it into compost, as well as energy.

One exciting aspect of the Richgro operations is that it can accept out of date packaged bread, meaning there is no need to separate bread from wrapping before entering the digester.

"We can now put bread into the digester de-packaging machine. The machine spins at a high speed, separating the loaf of bread from the plastic, so only the bread enters the digester - a quicker and easier process" said Tim Richards, Richgro Operations Manager.



# Commitment

# 3

## Donate unsold edible food from every Coles supermarket in Australia

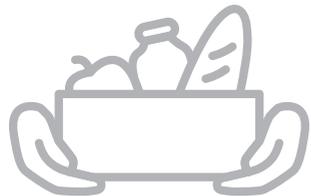
By the end of 2018, we will connect every Coles supermarket around Australia to SecondBite so we can provide even more unsold edible food to people in need and reduce our edible food waste.

### Our achievements and goals

In 2011, Coles began donating unsold edible food to SecondBite from **20 supermarkets across Australia.**

We now donate unsold edible food from **680 supermarkets across Australia** to SecondBite, which is distributed to **1,300 community food agencies.**

By the end of 2018, **connect all Coles supermarkets across Australia with SecondBite** to distribute unsold edible food to people in need.



## Case study: Coles and SecondBite to the rescue

In February 2018, Coles donated an entire truck full of fresh produce to SecondBite in Western Australia after flooding prevented the load being delivered to our Broome and Kununurra stores.

The truck was en route to Kununurra when it was redirected as a result of the floods. It returned to a Perth distribution centre where the load was collected by Food Rescue, a community partner of SecondBite.

The donation was the equivalent of 7,400 meals and included 300 kilograms of bananas, 240 punnets of strawberries, 85 kilograms of truss tomatoes, 80 kilograms of nectarines and 90 iceberg lettuces.



# Commitment

# 4

## Provide 100 million meals to Australians in need

By 2020, we will have provided the equivalent of 100 million meals to Australians in need.

### Our achievements and goals

Provide the equivalent of **100 million meals** to Australians in need.

Since 2011, we have donated the equivalent of more than **57 million meals** to SecondBite.

Since 2011, we have donated the equivalent of more than **15 million meals** to Foodbank.

**100 million meals** is the equivalent of four meals for every Australian.



## Case study: Coles in Dunsborough donates 21,000 meals to locals in need

Through its partnership with SecondBite, Coles Dunsborough supermarket has donated more than 10,400 kilograms of surplus fresh fruit and vegetables to St George's Community Care. This is the equivalent of around 21,000 meals to local people in need.

Locals turning to St George's Community Care for support have benefited greatly from Coles' partnership with SecondBite, according to Barbara Nigg at the charity.

"Each week our community kitchen provides a two-course meal for around 220 people and our emergency relief team makes around 15 food hampers for people needing a hand affording groceries in the area," she said.

"We also keep frozen meals on hand for people who call in for emergency food relief, which Coles Dunsborough has contributed produce through the SecondBite partnership."

# Commitment

# 5

## Work with suppliers to reduce food waste

We will work with our suppliers to minimise their food waste, including developing great tasting value-added products which will allow farmers to use more of their crop.

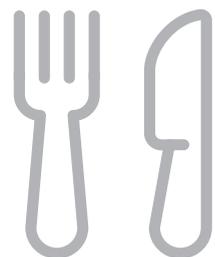
### Our achievements and goals

Reduce food waste throughout our supply chain by **redirecting produce that can't be sold to create other products.**

Map food waste in our supply chain to **identify opportunities to reduce, reuse or recycle.**

**Coles broccoli and cauliflower rice, cauliflower rice and carrot and pumpkin noodles** use vegetables that would otherwise go to waste.

Coles Brand banana bread uses more than **600 tonnes of bananas** per annum, which would otherwise have gone to waste.



## Case study: New products that reduce food waste and taste great

To provide a convenient new range for customers and help to reduce food waste at the same time, Queensland vegetable grower Matt Hood from Rugby Farms has worked with Coles to launch three new vegetable products this year.

In February this year, Coles launched zucchini noodles, sweet potato noodles and sweet potato chips, which are grown at farms across Queensland and packaged by Rugby Farms.

"These new products help increase the overall crop yield by utilising larger vegetable pieces that typically would not be sold at a retail level. We are trying to provide prepared foods that are quick and easy to use without any waste at home. They are better for us and better for consumers as well," Matt Hood said.



# Commitment

# 6

## All Coles Brand packaging recyclable by 2020

We understand the importance of appropriate packaging in maintaining food safety, supporting product longevity and reducing food waste. At the same time we are committed to making our packaging more sustainable.

While the majority of Coles Brand products are now in recyclable packaging, by 2020 all Coles Brand packaging will be recyclable at kerbside or in store.

### Our achievements and goals

All Coles Brand packaging (including grocery, meat and fresh produce) will be **recyclable by 2020.**

A wide range of meat and poultry packaging will be **100% recyclable and made from recycled material.**

Since 2014, Coles has used Plantic™, the **world's first ultra-high barrier renewable and recyclable material**, to package Coles Brand fresh beef, pork and lamb mince.



## Case study: Recycled and recyclable meat packaging

By using packaging for our meat and poultry which is recyclable and also made from recycled materials, Coles and Plantic are introducing a landmark initiative.

Since 2014, Coles Brand beef, lamb and pork mince has been packaged in recyclable trays that we source from Australian supplier, Plantic.

In 2018, Plantic will supply Coles with 121 million meat and poultry trays that are recyclable and also made from recycled material.



# Commitment

# 7

## More recycled content in Coles Brand packaging

We will use more recycled content in Coles Brand packaging.

### Our achievements and goals

Introduce **new fresh produce bags made from 30% recycled content** in 2018.

Increase **recycled content** in Coles Brand packaging.

Since 2014, our **Coles Brand water has been packaged in bottles made of 100% recycled content, which are also recyclable.**

In 2018, Coles introduced new heavy duty reusable carry bags made with **80% recycled content.**



## Case study: Bottled water, a first for Coles

Coles Brand water is the only private label bottled drink in Australia to be packaged in a bottle made from 100% recycled material that is also recyclable.

In September 2014, with our partners, we developed an innovative lightweight bottle made from recycled plastic.

The bottles are made in Australia from old bottles which have been ground down, cleaned and reformed. When finished they can be recycled in kerbside recycling programs.



# Commitment

# 8

## Reduce excess packaging across our stores and supply chain

We will reduce excess packaging for fruit and vegetables across our stores and supply chain.

### Our achievements and goals

We have introduced a new program to **reduce plastic wrapping of fruit and vegetables**, including removing plastic packaging from all Coles Brand bananas in 2018.

In June 2018, introduce a **new range of reusable Coles community bags** designed by Australian children.

All **single use plastic shopping bags** across all Coles stores will be **removed by 1 July 2018.**

We have **phased out non-recyclable polystyrene** trays for fruit and vegetables in our stores.



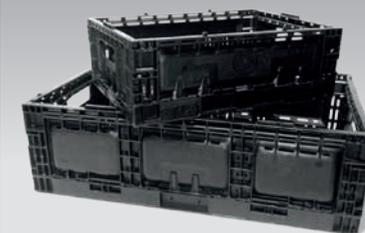
## Case study: Coles suppliers adopt sustainable change

Vegetable growers such as John Said from Fresh Select in Victoria have led the way to replace single use polystyrene boxes with returnable plastic crates to reduce waste in the Coles supply chain.

John is among 250 Coles' suppliers who now use reusable crates to transport their products.

By purchasing one million more reusable crates in 2018-19, we will be able to work with more suppliers to replace single use cardboard, waxed cardboard and polystyrene boxes.

The extra one million reusable crates add to the six million reusable plastic crates already used by Coles and our suppliers for fruit, vegetables, poultry and red meat.



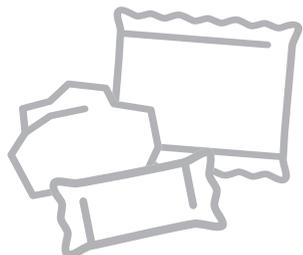
# Commitment 9

## Provide in-store soft plastic recycling options in every Coles supermarket

This year Coles was the first major food retailer in Australia to have in-store REDcycle bins at every supermarket, including regional and remote areas.

### Our achievements and goals

<b>REDcycle bins in every Coles supermarket.</b>	Coles has purchased <b>more than 500 benches</b> made from recycled soft plastic since 2011 for stores and local schools.
<b>Coles was the first major supermarket in Australia</b> to introduce a soft plastic recycling program.	Since 2011, Coles has diverted more than <b>425 million pieces</b> of soft plastic from landfill across Australia.



## Case study: Paving the way with plastic recycling

In an Australian-first trial, plastic bags and soft plastic packaging collected at Coles' REDcycle bins has been used to construct a Victorian road.

Downer and Hume City Council recently announced they had partnered with REDcycle and Close the Loop to build a road in Craigieburn from recycled soft plastics, glass, printer cartridges and recycled asphalt.

The trial provides another use for soft plastic collected from Coles supermarkets across Australia. For the past seven years, soft plastic from Coles stores has been converted to outdoor furniture by Melbourne recycling manufacturer, Replas.



# Commitment 10

## Introduce new labelling to promote recycling

We will make it easier for customers to determine how and where they should recycle through new recycling labels on Coles Brand products.

### Our achievements and goals

Introduce <b>new, easy to read recycling labels</b> on Coles Brand products.	Include the <b>recycling label on more Coles Brand products.</b>
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- Our customers tell us that the current recycling labels on products are often confusing.
- Coles will apply new labels to our Coles Brand products to provide customers with clear instructions on what packaging can be recycled and whether it can be recycled in kerbside recycling, through REDcycle or by other means.
- Coles will be implementing the Australasian Recycling Label (ARL) developed by the Australian Packaging Covenant Organisation (APCO), PlanetArk and PREP Design.



## Case study: New labelling to clarify recycling

Coles is an active member of the Australian Packaging Covenant Organisation (APCO) and has been involved in consultation on the development of the Australasian Recycling Label.

The ARL will use a consistent packaging assessment tool to determine the appropriate recycling labelling to be applied to different components of packaging.

Coles customers will have confidence that by following the instructions their packaging material will be directed to the correct recycling stream.

This new labelling will begin being rolled out in 2018.



# Sustainability at Coles

## Key achievements



72 million meals donated to SecondBite and Foodbank since 2011



First major Australian supermarket to provide soft plastic recycling in every store



Coles Brand water bottles recyclable and made from 100% recycled material since 2014



Six million reusable fresh produce crates in circulation, replacing 32,000 tonnes of single use boxes in 2017



In June 2018, we will introduce a new range of reusable Coles community bags. Designed by the children of Australia, a portion of sales of these bags will be donated to four community organisations – Clean Up Australia, Little Athletics Australia, SecondBite and Guide Dogs Australia



No single use plastic bags across Coles by 1 July 2018



\$50m Coles Nurture Fund supported 27 producers since 2015

## Commitments for the future



90% of all waste diverted from landfill by 2022



Halve food waste in Coles supermarkets by 2020



Donate unsold edible food from every Coles supermarket



Provide 100 million meals to Australians in need by 2020



Work with suppliers to reduce food waste



All Coles Brand packaging recyclable by 2020



More recycled content in Coles Brand packaging



Reduce excess packaging across our stores and supply chain



Provide in-store soft plastic recycling options in every Coles supermarket



Introduce new labelling to promote recycling