

## Tesco Ireland – Championing recycling throughout our operations

### **Background**

Tesco Ireland is one of Ireland’s largest private sector employers, with over 13,000 colleagues working in our head office, distribution centre and 151 stores in towns and cities nationwide. We are conscious of our role in protecting the environment and are working hard to make and influence change.

We have set ambitious science-based targets and, guided by our sustainability strategy the *Little Helps Plan*, have achieved a 35% absolute carbon reduction from operations by 2020, aiming for a 60% reduction by 2025, and 100% reduction by 2050.

### **Description of Initiative**

Through our relationships with suppliers, and in supporting our customers, we aim to lead our sector towards sustainable consumption, reducing direct environmental impact and encouraging and supporting our stakeholders to do the same.

### **Packaging**

Our target is to ensure we never use more packaging than is needed. Where we need packaging, because it serves a clear purpose like reducing food waste or to protect a product in transit, we do our best to ensure what we do use is from sustainable sources and that where possible, it goes on to be reused or recycled.

Our ambition is that all Tesco packaging will be fully recyclable by 2025, and we are working with our suppliers to remove hard-to-recycle plastics – including soft plastics - throughout our product range.

We work to the 4Rs principle when it comes to packaging:

- Remove it where we can
- Reduce it where we can’t
- Reuse more
- Recycle what’s left.

We are working hard on waste minimisation across our store network, and within our supply chain, and we recognise we have a role in ensuring as much of our packaging as possible is recyclable, to help our customers on this journey also. We have also committed to including recycling information on all own-label packaging to help our customers to understand what can be and cannot be recycled.

Working closely with key stakeholders, we have developed a Red list of materials that we want to remove from our packaging – this relates to materials that cannot be recycled in our current waste infrastructure. To date we’ve removed all PVC and polystyrene from our packaging and will continue to work to remove mixed laminates, waxed papers and plastic rings from around multi pack drinks. We are also working to explore opportunities for a greater level of recycled content to be used, where possible, in our packaging materials.

For the past twelve years, we have not sent any waste to landfill. This has been achieved by working closely with our waste providers to follow the waste hierarchy and continuously training our colleagues to segregate waste in our stores, distribution centre and head office to ensure we can reuse, recycle, recover and finally dispose of our waste in the right ways.

All colleagues are trained to understand how best to recycle across our sites, ensuring where we do create waste, we do the right thing with it. Tesco colleagues are the driving force behind our packaging reduction plan and in managing food waste at back-of-store. We promote a deep understanding of the positive impact colleagues can have on their store, their communities, their fellow colleagues and the environment, by ensuring teams are trained to:

- Process surplus food donations and build relationships with the causes collecting surplus food from stores.
- Segregate and manage food waste at the back of store to enable the conversion of remaining food waste to food energy.
- Segregate all remaining waste to recycle as much suitable board and plastic as we can

For relevant colleagues, energy and carbon reduction targets are built into their annual objectives and reward structure.

### Food waste

With an ambition that no good food should go to waste, we were the first Irish retailer to publish independently assured data about the amount of food wasted in our operations, and we were also the first retailer in Ireland to partner nationally with FoodCloud, an Irish social enterprise that links businesses who have too much food with those who need it most, with the aim of reducing food waste across our store network.

We also launched 'Colleague Shop' in all stores in 2019, where at the end of each day, colleagues bring surplus ambient products home with them, free of charge. We developed this to further support our drive towards no good food going to waste.

However, as a retailer we know that perfectly matching supply and demand is impossible – and so, in June 2020, we became the first Irish retailer to purchase renewable gas made from our own surplus food to power stores.

Kildare-based Green Generation now processes any of our surplus food waste - which is not donated to FoodCloud or given free of charge to colleagues – via anaerobic digestion, and the outputs are fed into the gas network.

We then purchase the renewable gas via Naturgy, taking a circular economy approach to minimising our carbon footprint.

### Soft plastics and closing the loop



Figure 1 - In-store soft plastics recycling collection

From February 2020, we also made changes to our waste management process which allows greater recovery and reuse of previously unrecovered plastic packaging from our unusable food waste.

As mentioned above, we partner with Green Generation on a process whereby food waste is separated from its packaging and processed through Anaerobic Digestion, creating bioenergy. Working with Paltech - a start-up focused on recovering and reusing soft plastics to make products - the packaging from this food waste is then segregated, and where required, washed and dried to remove impurities/food contamination.

Plastic/packaging that can currently be recycled is managed appropriately to ensure we continue to close the loop. For soft packaging materials that cannot currently be recycled, Paltech use an enclosed pressure moulding system to turn large volumes of mixed-waste plastic into heavy-walled large products, such as poles, median motorway barriers and more.

Ahead of the rollout of soft plastic recycling through kerbside collections, in January 2021, as part of this circular economy initiative, we announced that we are the first retailer in Ireland to create a recycling solution for soft plastics, which cannot currently be recycled through municipal or domestic waste processes. Customers can now simply remove unwanted soft plastic packaging - such as cling wrap or outer wrap from water bottle multi-packs - at the end of their shopping trip.

Again, partnering with Paltech these plastics will then be flaked and prepared for processing into construction materials to be used in our store network - for example as car-park barriers and signage. Customers can also leave behind hard, recyclable plastic packaging, such as multi-pack fresh produce packaging, which will be recycled as normal.

The vast majority of the plastic used by Paltech will be soft plastic, with some hard plastic used to support the structure of the solid items. Most of the hard, recyclable plastic will be recycled through the normal process.

Waste plastic processed in this way has already been used to produce the in-store collection points. This initiative is an important step in ensuring that soft plastics are recycled, rather than sent to landfill or incinerated, further minimising waste.

### ***Achievements to date***

With regard to removing non-recyclable packaging, we have made significant progress to date, for example, we have:

- Removed plastic-wrapped multipacks, replacing them with plastic-free multibuy, removing 1.5 million pieces of plastic wrap each year from tinned tomatoes, tuna, sweetcorn etc.
- Worked with suppliers to remove soak pads from meat, fish and poultry products, where possible. Per annum, this means the reduction of approx. 155 tonnes of non-recyclable packaging from our operations.
- Removed 359 tonnes of PVC and 40 tonnes of Polystyrene materials from product packaging per annum, along with approximately 19 tonnes of MDF and 18 tonnes of plywood.
- Removed 7.1 tonnes of plastic from the Tesco Irish Cheddar Cheese range.
- Worked with suppliers to introduce detectable black plastic trays - meaning that these black trays can now be detected in recycling machines and recycled. Approx. 448 tonnes of plastic are now converted to detectable black plastic and we have replaced approx. 97 tonnes of black trays with

recyclable clear trays where a detectable black tray could not be sourced, meaning almost 550 tonnes of non-recyclable plastic per annum is now recyclable.

- Moved Tesco own label Cat & Dog food packaging from plastic shrink wrapped outers to card, enabling customers to recycle all packaging at kerbside and switched all Tesco core cat food bags to paper solutions to make them recyclable at kerbside.
- Moved Tesco own label Golden Granulated Sugar & Tesco Golden Caster Sugar from plastic bags to paper bags, enabling customers to recycle all packaging at kerbside.

In May 2021, in collaboration with our partners at Country Crest, we became the first retailer in Ireland to make our packaging for 1kg new season potatoes fully recyclable, while also reducing the amount of paper used in our 2.5kg potato packaging. This move reduced the amount of paper used in our 2.5kg new season potatoes bag by 30% and removed almost 50,000 non-recyclable 1kg new season plastic bags from the waste system.

With regard to food waste, to date, we have donated over 14 million meals to FoodCloud, in turn saving over 18,900 tonnes of carbon from the waste process. And, through Colleague Shop, we have donated over 800 tonnes of bakery, produce and ambient food to date, saving this from going to waste to date.

In terms of our work with Green Generation on anaerobic digestion for our food waste, facilitated by Gas Networks Ireland, this will reduce Tesco's carbon emissions by 1,200 tonnes annually and power six Tesco stores in Ireland.

In 2020, we launched a new 'Red, Amber & Green' packaging preferred materials list, with the addition of more 'hard to recycle materials' such as Plywood & MDF, Glitter, Composite Drums, Paper & Board coated or laminated on both sides. These items have now been removed from our own-label products. This list is continually evolving – for example, waxed paper, hi/mid cones used to tether multi-pack drinks cans together and plastic straws and cutlery have recently been added to the 'red' list.

We are also really proud to be the first retailer to introduce a soft plastics recycling solution for our customers, as outlined above, and have so far prevented over 400 kilograms of soft plastic from going to waste, instead using it to make materials which will be used across our store network.

### **Future Focus**

As we strive towards achieving our 2025 packaging targets, we will continue to use our Red, Amber, Green list of preferred materials and work in conjunction with our suppliers to continue making their packaging more easily recyclable, and further remove hard-to-recycle materials.

Our packaging plans will also continue to be based on our 4R approach – Reduce, Remove, Recycle, Reuse – which also allows us to deliver and communicate a clear message to our customers on our achievements - by applying the relevant 'R' logos to our packaging.

We note also that a Deposit Return Scheme for plastic bottles and aluminium cans is to be introduced in the retail sector and will work with all stakeholders as this is developed and implemented.