# **Resource use**

While we recognise that our biggest environmental impacts will come from changes in the way we source our ingredients, we also recognise that issues around recyclability of packaging, plastic pollution, and the reduction of food that goes to waste are also very important.

## **Plastics and packaging**

Packaging is essential to protect our food and keep it fresher and safer for longer. We know that plastics and packaging are important areas of concern for our customers and members, which is why we launched our ambitious plan to make all our Co-op-branded food packaging easy to recycle in 2018 and in 2021 through kerbside collection or our in-store closed loop system, we achieved this goal.

100% of our own-brand food
packaging is easy to recycle
(2020: 78%).

### Making our packaging easy to recycle

We've made great strides in recyclability; increasing our easy-to-recycle food packaging from 46% in 2015 to 100% in 2021 - through kerbside collection or our closed loop system in store for soft film. To achieve this, in 2021, we:

• completed the move to single material for all our PET protein trays, including skinpacks - we changed the plastic trays for our pâté, bacon, continental cooked meats and red meat.

- ensured the plastic-to-paper ratio on laminated papers was under 15% - we reduced the plastic-to-paper ratio on our salmon boards, sauce mixes, cup soups, cookie bags, sandwich bags, bread bags and couscous sachets to make them compatible with paper recycling streams.
- rolled out the collection of flexible plastics, through our new front-of-store takeback scheme. Around a fifth of our current products are packed in flexible plastic films, and this is now collected in 2,300 stores to capture all the remaining packaging (until local authorities are ready to include them in kerbside collections).

### **Recycled content**

We have now moved all our PET bottles for water, soft drinks, mixers, and juices to 100% recycled content<sup>1</sup>. We committed to using a minimum of 50% recycled content in PET bottles, pots, tubs, trays and punnets, and HDPE bottles by the end of 2021, although HDPE has proven to be challenging due to lack of availability of recycled content for milk bottles.

## Case study: Film recycling

In July 2021, we built on the work from our trial in 2020 to launch a nationwide network of collection points to allow customers and members to return all types of flexible plastics to front-of-store recycling bins.

We return this waste to our recycling partner's advanced sorting facility in Birmingham (using empty delivery vehicles which are already returning cages, cardboard and other waste), where it is sorted into various polymer streams and sent on for recycling – all done within the UK. We now have 2,300 stores collecting this material at front of store, which is one store in each of our community areas.

Working with our recycling partner has provided key learnings on how we can continue to improve the design of these materials to improve recycling, for example, that metallised films like crisp bags can be recycled successfully, but that we should aim to remove PVDC and nylon.



### Compostable carrier bags

All our Co-op stores have sold BS EN 13432 certified compostable carrier bags at 10p each from April 2021. These are to replace conventional single-use plastic bags which we phased out during 2021. 'Bags for Life' have been removed from the range. Our analysis of industry data has shown that, in stores that have removed single-use bags from sale, many customers use a 'Bag for Life' once, which wastes much more plastic than using a single-use bag once. We believe that the best approach for the environment and for customers is to offer a low-cost compostable bag, as well as offering high quality, durable reusable bags that will last for years (and can still be recycled).

### Plastic reduction

We set a target to reduce our plastic packaging by 15% per 1% market share over 4 years, by the end of 2022. Our total weight of own-brand plastic packaging sold decreased from 20,178 tonnes in 2018 to 18,127 tonnes in 2021.

We have replaced conventional plastic carrier bags with compostable alternatives and removed bags for life which reduced the amount of plastic we used by 1,831 tonnes. Our market share remained at 6.2%, which results in a reduction in our total plastic footprint of 18.8% per 1% market share since 2018 (2020: 12.8%).



**18.8%** reduction in our plastic footprint per 1% market share since 2018 (2020: 12.8%).

## Food waste

In tackling food waste, we follow the food waste hierarchy (see diagram, right). Our priority is to prevent food waste and surplus being created in the first place and where this is unavoidable we ensure that as much of this as possible is redistributed to local food charities with the remainder being used to make green energy.

During 2021, we've established new waste data reporting for our depots that will be rolled out in 2022. This will allow us to establish a baseline of depot waste data to report on next year.

# Case study: food waste reduction trials

We ran a waste reduction trial during 2021, focused on bananas - a waste hotspot. Interventions that were tested included upgrading transit equipment and display fixtures to prevent chill and handling damage, with early trials showing a reduction in waste. A full rollout was completed in November 2021, covering 1,803 stores and the impact on waste will be assessed in 2022.



# Co-op product journey through store



First solution

We reduce the price of products that are about to go past use by/best before dates to ensure they are sold and eaten instead of being wasted.



We donate unsold food to local causes through Co-op Food Share.



Food waste arising in depots is donated to FareShare to distribute to local charities.



As a last resort, we use waste to make green energy.

# last resort

The amount of surplus food redistributed to local community groups by our Foodshare programme, has grown by 60% compared to 2020, donating 5,774 tonnes of edible food (2020: 3,536 tonnes). Depot teams shared 1,177 tonnes of surplus food with FareShare in 2021. See <u>here</u> for more detail on supporting access to food in our communities.

Whilst we have massively increased the amount of food we redistribute to local community groups our operational food waste intensity has <u>increased slightly</u> and addressing this will be a priority in 2022 as we ensure we focus on preventing food waste arising in the first place and maximising the amount of surplus food we can share.



### **Operational waste**

The amount of operational waste we produce has remained steady over the past year, and the operational waste that we recover or recycle has remained steady at 98.1% (2020: 98.3%) of total waste. Since 2020, we've also used the energy generated from our waste to provide energy through Co-op Power.

#### Water

Water scarcity is a global concern with serious environmental, social, and economic consequences. We're working to reduce the amount of water we use across our own operations and we report progress on our water reduction target <u>here</u>.

We recognise that we use more water in our supply chains, particularly in agriculture. More detail on our work in supply chains can be found <u>here</u>.

# **2022** targets

We will reduce food waste generated in our stores and depots by 50% by 2030, compared to 2015.

We will reduce our plastic packaging by 15% by the end of 2022, compared to 2018.

We will reduce water consumption across our properties by 10% by 2025 compared to 2020.

lssue	2021 Target	Performance against target	KPIs	Baseline	2018	2019	2020	2021	2022 Target	SDGs
Operational waste			Total waste from running our business (kt)	156.6 (2006)	92	89	84	83		
			% of total waste diverted from landfill (including energy-from-waste, anaerobic digestion, recycling or reuse)	-	97	99	98	98		
Food waste	We will reduce food waste generated in our stores and depots by 50% by 2030 compared to 2015.	Progress during 2021 has been slower than expected, but will be a priority focus in 2022.	Food waste - store and depot, tonnes (% change since 2015 in brackets) <sup>1</sup>	26,925 (2015)	-	-	-	-	We will reduce food waste generated in our stores and depots by 50% by 2030 compared to 2015.	12 DESCRIPTION
			Food waste - store only, tonnes (% change year on year)	-	19,665	19,679 (0%)	20,931 (6% increase)	21,424 (2.4% increase)		
			Food surplus redistributed total (tonnes)	-	840	2,532	4,045	6,951		
			Food surplus redistributed through FareShare (tonnes)	-	449	581	509	1,177		
			Food surplus redistributed through Co-op Food Share (tonnes)	-	391	1,951	3,536	5,774		
			Food waste intensity (the % of products our stores handle that becomes food waste)		-	-	1.25	1.4		
			In 2015 we set our baseline for food waste and started our journey to reduce food waste from stores and depots by 50% by 2030. Improving our data and how we measure food waste is part of the journey to meeting our 50% reduction target and in 2018 we started using product data instead of 'weighbridge' data from the waste disposal process because it is more accurate. We can only access product data at store level at present but we are working to ensure we will have similar accurate depot food waste data available as soon as possible, this means we currently report on store data only and have done so since 2018 but we will aim to share our full operational food waste data including depots in 2022.							

89

## Resource use data continued

lssue	2021 Target	Performance against target	KPIs	Baseline	2018	2019	2020	2021	2022 Target	SDGs
Plastics and packaging	All Co-op own-brand food packaging will be easy to recycle by Q2 2021.		% own-brand food packaging easy to recycle	-	72	76	78	100		
		We've increased the percentage of own-brand packaging that is easy to recycle from 78% to	% reduction in plastic per 1% market share (from 2018)	-	-	Packaging: 4.4	Packaging: 11.2 Carrier bags: 1.6 Total: 12.8	Packaging: 11.6% Carrier bags: 7.2% Total: 18.8%		
		100% in 2021 by completing the move to	% average recycled content in our own-brand plastic packaging		33	37	37	33		
		monomaterial trays in protein and rolling out the collection of soft plastics in 2,300 stores.	We believe the decrease in average recycled cont bottled water and ready meals, which typically inc							
			Total Packaging handled (tonnes)	284,979 (2006)	174,956	175,520	196,777	181,630	We will reduce our plastic packaging by 15% by the end	
			Pack		of 2022, compared to 2018.	60				
			Glass	128,027 (2006)	94,283	95,063	111,580	99,889	10 2010.	
			Plastic	78,492 (2006)	42,325	41,222	42,165	41,507		
	We will reduce our plastic packaging by 15% by the end of 2022, compared to 2018.	We've reduced our plastic footprint	Paper	42,794 (2006)	25,301	25,782	28,541	26,892		
		per 1% market share by 18.8% since 2018, which	Steel	27,381 (2006)	6,310	6,351	6,434	5,632		
		includes a 11.6% reduction in plastic packaging.	Aluminium	8,285 (2006)	6,738	7,102	8,057	7,710		
Water	We will reduce water consumption across our properties by 10% by 2025 compared to 2020.	We revisited the standard	Average water used per site (m <sup>3</sup> )	310	-	-	310 🛛	344	-	
		operating procedure used to calculate water consumption across our estate in 2021. Water usage has increased, but will be an area of focus moving forward.	% water reduction (y/y)	-	-	-		11 (increase)		
			Our water calculations are based on invoiced invalidation of all known water supplies. The main meters are not available, we apply a rationale equal to the average for the business unit. In 2021, we revisited the standard operating procision significant as it means that the 2021 figures would When the new SOP is applied to the 2020 data, it	We will reduce water consumption across our properties by 10% by 2025 compared to 2020.	12 RESPONSENT CONSIDERTIN AND FRONCEION					
			% Farms in our farming groups that have water pollution controls in place	-	100	99	-	-		
			% Farms in our farming groups that have active plans in place to reduce water consumption	-	84	96		-		
			Audits not completed in 2020 due to Covid-19 pa	Indemic and not o	completed for a	III species in 2021				