

18 October 2019

Mr Cesar Melhem MLC Chair Environment and Planning Committee

By email: Michael.Baker@parliament.vic.gov.au

Dear Mr Melhem

Thank you for your letter to Mr Steven Cain, Chief Executive Officer, regarding the Committee's inquiry into Recycling and Waste Management. Mr Cain has asked me to reply on his behalf.

Coles takes its responsibility for managing environmental issues very seriously and we continue to explore ways to protect our environment and to reduce our environmental impact.

You have asked about soft plastic recycling. In conjunction with REDcycle, Coles offers a soft plastic recycling program in all supermarkets nationally. Coles customers recycled 905 tonnes or 226 million pieces of soft plastics in FY19.

Packaging plays a key role in transporting fresh produce and also supporting product longevity and therefore reducing food waste. Coles is committed to working with our suppliers on sustainable packaging. In June last year Coles pledged a number of packaging initiatives including all Coles Own Brand packaging will be recyclable by the end of 2020 and more recycled content will be included in Coles Own Brand packaging.

We are actively working with our fresh produce suppliers to reduce the number of packaging layers, ensure all packaging is recyclable either at home or through REDcycle bins in store, and in some cases remove packaging. Coles Own Brand fresh beef mince, pork mince and lamb mince has used recyclable packaging since 2014.

We are also working with our supply chain to replace more corrugated cardboard, waxed cardboard and expanded polystyrene boxes with reusable plastic crates across our supply chain. At the end of FY19, working with over 400 suppliers, we had six million reusable plastic crates in circulation being used for fruit, vegetables, poultry, red meat and pre-packaged salads.

In addition to removing cardboard, waxed cardboard and polystyrene from the supply chain, these crates help to reduce product damage, which reduces food waste.

Since 2009, our greenhouse gas emissions have reduced by 36 per cent and we met our 2020 emissions reduction target in 2016. In FY19, greenhouse gas emissions decreased by six per cent compared with the previous year. In FY18 and FY19, we invested \$42 million in energy efficiency projects including replacing lights with LED, installing solar photovoltaic systems and improving refrigeration and air conditioning systems.

You have inquired about customers bringing their own containers to purchase food. Coles does not allow customers to bring in their own containers to use as it poses a health and safety risk. It also makes it very difficult for us to conduct a thorough investigation if a customer becomes ill and we are unsure where the container used came from.

In your letter you have asked about any other measures being considered by Coles to improve recycling and / or reduce the use of packaging. Coles has made the following commitments:

- All Coles Brand packaging recyclable by 2020
- More recycled content in Coles Brand Packaging
- Reduce excess packaging across our stores and supply chain
- Introduce new labelling to promote recycling.

In relation to publicly reporting sustainability measures, recent examples include on 20 September Coles published its Sustainability Report and on 30 September announced that its Wentworth Point store would be the first supermarket to trial zero waste to landfill. Prior to this on 20 August we announced the construction of three new solar power plants that will supply Coles with the equivalent of 10 per cent of our national energy electricity usage.

Your sincerely



Vittoria Bon

Government and Industry Relations Manager