

Media Release

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COLES GROUP RELEASES ITS FULL SUSTAINABILITY STRATEGY AS SINGLE-USE PLASTIC TABLEWARE IS REMOVED FROM SHELVES

Strategy is centred around two pillars “Together to Zero” and “Better Together”

Supports the achievement of the United Nations Sustainable Development Goals

Aspiration towards zero emissions, zero waste and zero hunger

Better Together with our team, suppliers, customers and the communities in which we live and work

From tomorrow, the aisles of more than 2,500 Coles supermarkets, Express and Liquor stores around the country will be transformed, with single-use plastic tableware now off the shelf. The move will divert 1.5 million kilograms worth of single-use plastic from landfill each year.

The removal of single-use plastic tableware comes as Coles Group today released its [Coles' Sustainability Strategy](#), setting out its plans to work with customers, suppliers, team members and the community to achieve its ambitions centred around the two pillars of “Together to Zero” and “Better Together”.

In February, Coles Group committed to no longer sell single-use plastic tableware including cups, plates, bowls, straws and cutlery in any of its stores from 1 July 2021.¹

The items have now been replaced with a wide range of alternatives including Forest Stewardship Council (FSC) certified² tableware like timber cutlery and paper plates and reusable options.

The Federal Minister for the Environment, the Hon Sussan Ley MP, congratulated Coles on delivering its sustainability strategy, which includes the removal of single use plastic tableware products.

“It is pleasing to see this initiative from Coles, which reflects the Morrison Government's commitments to increase plastic recycling, find alternatives to unnecessary plastics and reduce the impact of plastic on the environment,” Minister Ley said.

“We welcome Coles' leadership, providing their customers alternatives to single use plastic tableware products, which will result in an annual diversion of 1.5 million kilograms of single use plastic from landfill.”

Pip Kiernan, Chairman of Clean Up Australia said the organisation knows this is the change the community wants to see.

“Earlier this year we surveyed 9,000 of our Clean Up Australia volunteers and 95% of them were strongly supportive of the phasing out of problematic single use plastics. It's heartening to see Coles making impactful changes to reduce waste to landfill and providing customers with options that are kinder on

¹ Stores in South Australia phased out the legislated single-use plastic tableware by 1 March 2021, in line with South Australian law

² The Forest Stewardship Council (FSC) is a global, not-for-profit organisation dedicated to the promotion of responsible forest management worldwide. FSC defines standards based on agreed principles for responsible forest stewardship that are supported by environmental, social, and economic stakeholders. To learn more, visit www.fsc.org.

the planet," she said.

"These items are not recyclable, they are designed to be used once and discarded, going to landfill and many ending up in our environment as litter. Last year our volunteers reported that over half of all items they collected were plastic or contained plastic," she said.

The Coles Group Sustainability Strategy is aligned with and supports the achievement of nine of the United Nations Sustainable Development Goals (UN SDGs) including zero hunger, good health and well-being, gender equality, decent work and economic growth, reduced inequalities, responsible consumption and production, climate action, life below water and life on land.

"Together to Zero" was first unveiled in March when Coles announced emissions targets including a commitment to be 100% powered by renewable electricity by the end of FY25, and addresses Coles Group's ambition to reduce its impact on the environment, outlining its aspiration towards zero emissions, zero waste and zero hunger.

"Better Together" recognises that when working together, the Coles Group team, suppliers and customers can make a real difference to the communities in which they work and live. It sets out the framework to create a team, community, sourcing and farming that is better together.

Coles Group CEO Steven Cain said Coles' purpose to sustainably feed all Australians to help them lead healthier, happier lives is aligned with and supports the achievement of the UNSDGs.

"Under our important new sustainability pillars – Together to Zero and Better Together – we have set our aspirations and the pathway to meet the many challenges and opportunities we face," Mr Cain said.

"Our strategy is focussed on acting together now for generations of Australians ahead. We understand our responsibility to minimise our environmental footprint and to show leadership in protecting our planet and climate. We have identified powerful initiatives across how we use energy, how we can move towards a circular economy, as well as how we will continue to improve our sustainable sourcing.

"We are not working alone. Our relationships with our team members, shareholders, farmers, suppliers, partners, customers and communities drive our sustainability agenda forward. We want to win together in the best interests of all, including through our Australian First Sourcing Policy.

"We have already made meaningful progress on our commitment to be powered by 100% renewable electricity by the end of FY25. We are proud that we were the first Australian retailer to announce a power purchase agreement and that the first of these solar farms in Corowa, New South Wales has become fully operational. We have landmark renewable electricity agreements with Lal Lal Windfarms, CleanCo, ENGIE and Neoen. These combined renewable electricity agreements provide enough to power more than 750 average sized supermarkets.

Coles Group is building on its important community partnerships including with food rescue organisation SecondBite and soft plastics recycler REDcycle. Since 2011, Coles has helped SecondBite provide the equivalent of more than 145 million meals to Australians in need through more than 1,000 community organisations. With REDcycle, Coles has facilitated the collection of more than 1.5 billion pieces of customers' soft plastic to be recycled into furniture, children's playground equipment, roads and even Coles carparks."

Summary of Sustainability Strategy

Under the Together to Zero pillar, Coles Group is committed to:

- climate action, supporting the goals of the Paris Agreement and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD);
- achieving net zero emissions by 2050, sourcing 100% renewable electricity by the end of FY25 and reducing greenhouse gas emissions from its value chain;
- a circular economy and optimising resources by supporting and creating end-markets to use recovered materials including those collected through initiatives such as the REDcycle soft plastic collection program available in all Coles supermarkets;
- closing the loop by using recycled content in product packaging to create an end-market for recycled materials, particularly plastic packaging;
- driving the delivery of the 2025 National Packaging Targets ensuring that:
 - all Coles Brand packaging will be 100% recyclable, reusable or compostable by 2025
 - across Coles Brand packaging, there will be an average of 50% recycled content by 2025
 - all Coles Brand packaging will carry the Australasian Recycling Label (ARL) by 2025;
 - phasing out problematic, and unnecessary single use plastics packaging by 2025 or earlier for all Coles Brand products;
- diverting 85% of waste from landfill by FY25; and
- continuing its focus on reducing food waste where the first choice for unsold, edible food is to donate it to food rescue organisations such as SecondBite and Foodbank.

Under the Better Together pillar Coles Group is committed to:

- making Coles somewhere all team members feel like they belong so that we can all live healthier and happier lives;
- fostering an open and welcoming culture where everyone feels valued;
- achieving a gender balanced workforce to benefit Coles and the community;
- recognising and enabling people with all kinds of abilities;
- championing LGBTQI+ inclusion in the workplace and beyond;
- providing more opportunities for Aboriginal and Torres Strait Islander peoples, suppliers, customers and communities to engage with the business;
- building strong, resilient communities aiming to help Australians in times of need;
- inspiring customers with best value food and drink solutions to make it easy, affordable and enjoyable to shop healthier at Coles including:
 - nutritionally improving Coles Brand products to meet Federal Government Healthy Food Partnership targets for salt, saturated fat and sugar;

- continuing to ensure Coles Brand range of food and drinks are free from artificial colours and flavours;
- expanding its range of Coles Brand plant-based and alternative protein products.
- focusing on marketing and innovation support to grow our key health and lifestyle brands; and
- making healthy choices easier by utilising the Health Star Rating on eligible Coles Brand products for transparent labelling;
- the responsible sale of alcohol and tobacco;
- working with farmers, suppliers and industry partners to have a positive impact on the environment and help our customers make more responsible choices including through the responsible sourcing of seafood in Coles Brand products and maintaining focus on responsibly sourced palm oil, timber, tea, coffee, cocoa and sugar cane;
- understanding product impact by providing information to customers to help them buy responsibly;
- playing an important role in safeguarding human rights in Coles operations and in our extended and complex supply chains;
- establishing sustainable partnerships with farmers and producers; and
- aiming to safeguard animal welfare by sourcing higher welfare meats and ingredients in Coles Brand products by:
 - aspiring to improve its score in the Business Benchmark on Farm Animal Welfare;
 - continuing to maintain industry-leading commitments to higher welfare standards such as all Coles Brand fresh beef with no added hormones, all Coles Brand fresh pork, bacon and ham is sow stall-free and produced without artificial growth promotants, all Coles Brand fresh chicken and fresh turkey is RSPCA Approved, all Coles Brand fresh free-range pork is RSPCA Approved, all Coles Brand fresh free-range chicken is RSPCA Approved, all Coles Brand shell eggs are cage-free; and
 - continuing to grow its proportion of Coles Brand products with cage-free eggs as ingredients targeting completion by 2025.

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