

Packaging.

Why It Matters.

Packaging plays an important role in protecting products and reducing food waste. Packaging waste, particularly plastic, can be a significant environmental problem when not reused or recycled. Of the 7 billion tonnes of plastic waste generated globally so far, less than 10 per cent has been recycled.¹ Currently, more than 11 million metric tonnes of plastic are flowing into the ocean each year.² We have a responsibility together with our suppliers to help prevent environmental problems associated with plastic waste and we are committed to playing our part in promoting a closed loop system.

Relevant Sustainable Development Goals (SDGs).



SDG 12 Responsible consumption and production aims to ensure sustainable consumption and production patterns. Our packaging strategy contributes to Target 12.5 with the work we are doing to create a system where packaging is treated as a valuable resource that can be used, reused, collected and recycled in a closed loop.



SDG 17 Partnership for the Goals recognises the importance of collaboration. Our Packaging strategy has been developed with the input, knowledge and expertise of our colleagues, suppliers and NGO partners and ongoing collaboration is critical to its success. Examples include our partnership with re-use specialist Loop and our cross-industry collaborations with WRAP and OPRL to drive innovation.

Highlights.

1.6 billion pieces of plastic permanently removed in UK.

Introduced own brand product ranges in fully recyclable packaging and eliminated all hard to recycle materials from Tesco brand packaging.

First retailer in Ireland to create a recycling solution for soft plastics and installed soft plastic recycling points in all UK large stores.

¹ UNEP

² WWF

Our Approach.

We are closing the loop on packaging to ensure it is treated as a valuable resource that can be used, reused, collected, and recycled.

We only use packaging where it serves a clear purpose and are supporters of the UK Plastics Pact. We aim to minimise our use of packaging, particularly plastic, and ensure what we do use can be collected, reused or recycled so that none of it goes to waste. This ambition supports a system where plastic stays out of the environment and inside a circular economy.

Remove, Reduce, Reuse and Recycle

We address the impact of packaging through our 4Rs strategy (Remove, Reduce, Reuse, Recycle) which aims to ensure packaging never finds its way into landfill or into the environment.

- **Remove:** We focus on removing all unnecessary packaging and hard-to-recycle materials.
- **Reduce:** We are constantly striving to reduce the amount of packaging we use to an absolute minimum.
- **Reuse:** We are exploring new opportunities to reuse packaging in support of a circular economy.
- **Recycle:** We aim to ensure all the packaging we use is fully recyclable and contains recycled content where possible.

Remove

Having **removed 1 billion pieces of plastic packaging last year and a further 600 million pieces this year**, we have continued to find innovative solutions to remove plastic packaging from our products. For example, small plastic bags used in the UK to pack loose fruit, vegetables and bakery items were replaced with alternatives, including recyclable paper bags.

Reduce

After **assessing the size and suitability of our packaging** we are constantly looking for new ways to reduce our packaging. For example, in 2021 we launched our first quadruple strength cordial, offering customers more servings in fewer plastic bottles.

Reuse

In **partnership with Loop**, we have introduced products in reusable packaging in ten large UK Tesco stores as part of a pilot trial. Customers are able to buy products in reusable packaging that can be returned to store when finished so it can be cleaned, refilled and used again.

Recycle

We have introduced soft plastics recycling points in all large stores in the UK to collect soft plastics that local councils don't commonly collect, with **850 tonnes collected to date**. In February 2022 we launched a new partnership with packaging manufacturer, Berry Global, to recycle the soft plastics collected in Tesco stores into bin liners. We also rolled out collection points in all large stores in Ireland, with 40 tonnes collected since 2021.

We are working with our suppliers to help us to accelerate our progress against the 4Rs strategy. We want to go further and faster in removing plastic where alternatives are possible, and we aim to work with suppliers to achieve this ambition.



[Read more about our 4Rs strategy here.](#)

Improving materials and design

We know that packaging design and material selection can have a big impact on sustainability. To play our part, we continue to work collaboratively with our suppliers to bring environmental considerations to the fore when designing product packaging through our preferred materials and formats list and avoid using hard-to-recycle materials across all our markets. Our efforts in this area focus on:

- **Recyclability** - all of our rigid plastic must be recyclable via kerbside / municipal collection schemes. Where packaging cannot be recycled such as soft plastics in the UK, we offer collection points in our stores. All soft plastic should use mono flexible films where possible/practical.
- **Excessive packaging** - packaging needs to fit the product effectively and we should avoid moving, storing or packing air.
- **Recycled content** - In the UK we have worked with our suppliers to engage them on the need to include recycled content, in order to comply with the Plastic Packaging Tax that launched in April 2022. We encourage suppliers to incorporate a minimum of 30% recycled content where possible and safe to do so.

- **Sustainable paper and board** – working with our suppliers to deliver our ambition of sourcing 100% sustainable paper and board used in our packaging. Industry collected data remains insufficiently robust to report at this time, but we continue to work with our compliance partner Valpak to address the challenges.
- **Introducing closed loop Own Brand products.** The volume of soft plastics collected in store is helping to stimulate commercially viable solutions to create closed loop products with our suppliers. One example is our bin bags, on sale in Central Europe, which are produced using recycled plastic from our stores, an approach we have replicated in the UK. Working alongside Faerch in the UK, we launched tray to tray recycling ensuring that secondary plastic packaging used to transport and hold products on Tesco shelves is recycled back into new food contact primary packaging, including plastic used in the UK to pack loose fruit, vegetables and bakery items. In Ireland we are selling flower planters made of 100% recycled soft plastic, in partnership with Green Generation and Paltech.
- We also **recycle our secondary packaging** which covers both waste cardboard and plastic in which our products are transported into our stores. A significant proportion of the shrink wrap used in our distribution network is recycled into our bags for life, with 80% of the content of our plastic bags for life made with our own waste material. Reusable green trays are also used to transport product into store to avoid the use of single-use transit packaging.

Closing the loop

A circular economy for plastics relies on adequate recycling infrastructure in place to collect, sort and recycle the packaging back into valuable material. We focus on **cross-industry collaboration** to drive innovation and work with the charity WRAP and OPRL to ensure that regional infrastructure is achieving effective and consistent waste collection. Where there are challenges, we are implementing solutions to help our customers recycle, including:

- **Installing reverse vending machines** that collect plastic bottles from customers in all 134 large stores in Slovakia.
- **Providing hanger recycling** in almost 500 stores. We recycle our clothes hangers in the UK by using them again or having them converted into other products.

Packaging footprint.

UK data				
Total primary packaging weight (metric tonnes) placed on the market	2018	2019	2020	2021
Own Brand primary packaging	324,208	308,917	320,231*	Data available from July 2022
Branded primary packaging	653,174	627,893	700,257*	

* COVID-19 impacts and growth in sales impacted our primary packaging tonnages, resulting in increases across both Own Brand and branded packaging in 2020.

Own Brand Packaging	Total weight (metric tonnes) placed on the market in 2020	Recycled content and/or certified material (% of total weight)
Wood/paper packaging	279,418	52%
Metal packaging	33,157	31%
Glass packaging	92,954	28%
Plastic packaging	139,720	24%

The above data is extracted from our Certificate of Compliance in accordance with the Producer Responsibility Obligations (Packaging Waste) Regulations. The data covers the calendar year 1 January – 31 December 2020. Data will be updated in July 2022 for the 2021 calendar year.

Performance.

UK data					
Commitment	KPIs	2018/19	2019/20	2020/21	2021/22
Remove plastic packaging where we can	Cumulative number of pieces of plastic removed in the UK	N/A	N/A	1 billion	1.6 billion
Reduce all unnecessary packaging	Tonnage of packaging removed through targeted reduction projects in the UK	N/A	N/A	2,000 tonnes of material	1,200 tonnes of material
Our packaging will be fully recyclable by 2025	Percentage weight of all Own Brand packaging that is recyclable in the UK	83%*	83%*	84%*	87%*

* Figures reported represent performance for the prior calendar year as data is provided via our compliance scheme Valpak a year in arrears in accordance with the Producer Responsibility Obligations (Packaging Waste) Regulations.

Retired KPIs.

In 2019/20 we made a commitment to introduce a scalable reusable packaging offer for our customers with our reporting based on a binary measurement related to our roll-out of reuse options. In 2020/21 we reported the introduction of a Loop pilot partnership to online customers and in 2021/22 we evolved this to cover ten large stores in the UK. Reuse continues to be an important part of our packaging strategy and as we develop further reusable packaging solutions, we will explore ways we can track ongoing progress.

Awards and Benchmarks.

Sustainable Retailer of the Year - The UK Packaging Awards

We were recognised for driving action on sustainability through our collaborations across the supply chain and network.

Packaging Development Team of the Year - The UK Packaging Awards

The packaging team were acknowledged for their collaborative approach with branded supplier partners, own brand suppliers and the wider packaging and recycling sector.



Circular Economy Initiative (Tesco and Faerch-Tray to tray recycling) - Plastics National Recycling Forum 2021 Awards

We were recognised alongside Faerch for a closed loop recycling solution that ensures the secondary plastic packaging used to transport and hold products on our shelves is retained by the food packaging industry and recycled back into new food contact primary packaging.



Business Recycling Champion – Pakman Awards 2021

Tesco Ireland were presented with the Business Recycling Champion Award for our commitment in protecting the environment, with supplier collaboration and colleagues being the driving force behind packaging reduction and food waste management.



Obal Roku 2021 competition – Czech Republic and Slovak packaging competition

We were named winners in the Obal Roku packaging awards for our Eco Cotton pads packaging design. The packaging now only consists of one material, not two like other products on the market, making it easier to recycle and uses 20% less material than before.



Methodologies.

How we measure our progress

Cumulative number of pieces of plastic removed

Packaging is classified as 'removed' when a whole piece of packaging is taken away, e.g. a pot lid. Cumulative number of pieces removed is calculated on the sales volume of identified 'removed products'. These products come from a range of categories including Fresh, Packaged, General Merchandise and F&F clothing.

Tonnage of packaging removed through targeted reduction projects in the UK

Defined as projects that have reduced packaging, either by size or thickness, through the redesign of packaging format or materials.

Percentage weight of all Own Brand packaging that is recyclable

As defined by percentage weight of all our Own Brand packaging that meets 'recycled' criteria. 'Recycled' criteria is defined by the UK On-Pack Recycling Label scheme (OPRL) and relates to when 75% or more councils offer kerbside collections for that packaging type.

Percentage of paper and board packaging that is certified sustainably sourced or from recycled materials

As defined by percentage of paper and cardboard weight within Own Brand packaging sourced from sustainable forestry such as FSC (Forest Stewardship Council) or PEFC (Programme for the Endorsement of Forest Certification) sources, or includes recycled material.

Looking Ahead.

We are committed to supporting a circular economy and will continue to focus our activity on our 4Rs strategy, prioritising further removal of unnecessary packaging and working with our suppliers and partners to reduce, reuse and recycle packaging. Further detail on our packaging strategy will be published later this summer.

Commitments and targets

- Remove plastic packaging where we can.
- All packaging will be fully recyclable by 2025.
- All paper and board used will be 100% sustainable by 2025.

Read more about our approach

More Information

Preferred materials list

Our 4Rs strategy: Remove, Reduce, Reuse and Recycle

Benchmarking

EIA & Greenpeace 'Checking out on plastics' survey rankings

Highlights of our journey to date.

