Paul Stainton

Richard Harrow
Today

- UK Sustainable progress - WRAP
- Food Waste
- Plastics
- Impact in store
- Impact on Private Labels
- Suppliers leading the way
Importance of Private Label in the UK

Private Label % Share Total Sales 2013 to 2021

<table>
<thead>
<tr>
<th>Week</th>
<th>Volume</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>52 w/e 03 Feb 13</td>
<td>50.9%</td>
<td></td>
</tr>
<tr>
<td>52 w/e 02 Feb 14</td>
<td>51.2%</td>
<td></td>
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<tr>
<td>52 w/e 01 Feb 15</td>
<td>52.0%</td>
<td></td>
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<tr>
<td>52 w/e 31 Jan 16</td>
<td>53.0%</td>
<td></td>
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<tr>
<td>52 w/e 29 Jan 17</td>
<td>57.4%</td>
<td></td>
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<tr>
<td>52 w/e 28 Jan 18</td>
<td>58.7%</td>
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<tr>
<td>52 w/e 27 Jan 19</td>
<td>59.3%</td>
<td></td>
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<tr>
<td>52 w/e 26 Jan 20</td>
<td>59.9%</td>
<td></td>
</tr>
<tr>
<td>52 w/e 24 Jan 21</td>
<td>59.9%</td>
<td>52.0%</td>
</tr>
</tbody>
</table>
WRAP and The Courtauld Commitment

The Courtauld Commitment 2025
Cutting the cost of food and drink

*27% reduction in food waste 2007 - 2018

1.7 Mt of food waste saved
£4.7 bn
Enough to fill the Royal Albert Hall

1.4 Mt in the home
230 kt by businesses
34 times

WE NEED TO CHANGE THE WAY WE PRODUCE, SUPPLY, SELL & CONSUME
FOOD & DRINK

MAKE TOAST
NOT WASTE

IPLC
WRAP and The Courtauld Commitment

**Food waste**
A 20% per person reduction in food and drink waste associated with the production and consumption of food and drink in the UK, post farm gate.

**Greenhouse gases**
A 20% per person reduction in the greenhouse gas (GHG) emissions associated with production and consumption of food and drink in the UK.

**Water**
A reduction in impact associated with water use and water stress in the supply chain.
Food Waste
Food Waste
Food Surplus

FareShare
fighting hunger, tackling food waste

neighbourly

Too Good To Go

COMPANY SHOP

IPLC
Cost
In Store Impact
ASDA Sustainable Store – October 2020

• 15 huge refill stations
• Includes leading UK brands such as Kellogg’s, PG Tips, Taylors of Harrogate, Vimto, Persil and Asda’s own brand rice and pasta
• 53 fresh produce lines sold in loose and unwrapped
• Plants and flowers sold either unwrapped or with a paper wrapping
• Removal of the outer plastic wrapping on Heinz and Asda Brand canned multipacks including beans and soups
• Recycling facilities for items such as crisp and biscuit packets, plastic toys, cosmetic containers and toothpaste tubes
• Reverse vending machine for cans, plastic and glass drinks bottles
UK Plastics Pact

Eliminate problematic or unnecessary single-use packaging through redesign, innovation or alternative (reuse) delivery model.

100% of plastics packaging to be reusable, recyclable or compostable.

70% of plastics packaging effectively recycled or composted.

30% average recycled content across all plastic packaging.

Plastics Tax effective Apr 2022 – packaging not containing at least 30% recycled plastic subject to £200/tonne tax
Private Label Sustainable Developments

- Sainsbury’s: Plant-based tea bag material
- Aldi UK: All canned drinks plastic to card
- Tesco removes multipacks and replaces by multibuys
- Asda removing plastic bags from loose Fruit & Veg
Plant Based – Veganuary ranges
Plant Based – Vegan Private Label
Plant Based – Vegan Private Label – Tiering & Pricing
Easter Ranges – reducing packaging
Ocado packaging relaunch – March 2021

• 530 items – “improving green credentials a high priority”
• Removed 640,000 plastic nets & 9m non essential packaging components
• 27t less plastic
• Product information printed directly onto egg boxes – saving 10t of paper p.a.
• Bright artwork to look great on screens of all sizes as well as at home
Suppliers on the front foot

- Greencore Group UK:
  - Donate all surplus products to local communities by 2022
  - Deforestation-free supply chain by 2025
  - All packaging recyclable or reusable by 2025
  - Reduce food waste by 50% by 2030
  - Sustainable sourcing of all raw materials by 2030
  - Split NPD equally between animal protein and plant-rich alternatives by 2030
  - Achieve net zero emissions by 2040
Suppliers on the front foot

FEI Foods beats Mars to launch recyclable microwaveable pouch

Rice pack maker FEI Foods has beaten fmcg giant Mars Food in the race to create a recyclable microwaveable pouch. The Grocer, 6 March 2021
Key is not to forget Pricing

• Price Match or simply lower Better Tier to discounter retail price
Key Take-Outs

- Sustainability is now a key consideration in all Private Label development
- Retailers must not fall behind on pledges made and not fall behind the competition
- Suppliers who are on the “front foot” will be favoured
- Understand your customers KPI’s and those of categories you are in
- Less packaging = less cost = keener pricing
- Collaboration is the key
Thank you!