

Abel & Cole

Delivering the right solution on
packaging

A Circular Delivery Model



What does 'sustainable' mean for packaging?



- Customers care about plastic crisis – but it shouldn't be only their responsibility
- Packaging trends point in lots of directions
- Most 'innovative' solutions do not have an adequate outlet at end of life
- Simple weight reductions not enough if it leads to more waste

Plastic crisis 'out of control' as 1.7 billion pieces thrown away weekly in UK

The most commonly counted plastic items thrown away were packaging for snacks, fruit and vegetables.



What does 'sustainable' mean for packaging?



- Product packaging is the brand's responsibility
- Design for the system you have
- Circularity not always possible but should always be the goal
- Don't forget the carbon impact!

So how does this look in action?



- Material traceability through supply chain
- Restrictions on materials that don't have assured EoL
- Standardise as much as possible
- Provide outlet for problematic materials



Maximise Resources through reuse



- Material traceability through supply chain
- Restrictions on materials that don't have assured EoL
- Standardise as much as possible
- Provide outlet for problematic materials



Maximise Resources through reuse – Club Zero



- ‘Prefill’ range spanning:
 - Household
 - Pantry
 - Chill
- Customers return packaging through an existing delivery loop
- 3rd party supplier washes and refills containers
- Containers are standardised PP pots in S,M & L formats



dizzie

Introducing milk refill



Launched on October 2023

Bespoke PP bottle designed for multiple use

No refit required at dairy or in supply chain

Launched with no additional cost to single use
– converted 100% of existing customers



Considerations for Reuse



1. Return process

Captalise on existing customer interactions, make it as easy as possible

2. Wash/Fill System

Where are the bottlenecks?

- Storage after washing
- Cap design and application
- Labelling

Cost centres:

- Packaging investment
- Line upgrades
- Customer engagement

3. Cost

ROI

How quickly can I achieve the desired impact?

How can I make it financially attractive?

Choosing the right format



PP bottles offer most feasible solution:

- Minimal cost increase
- No change needed for filling and handling
- Fast emissions ROI
- Low breakage risk to drivers

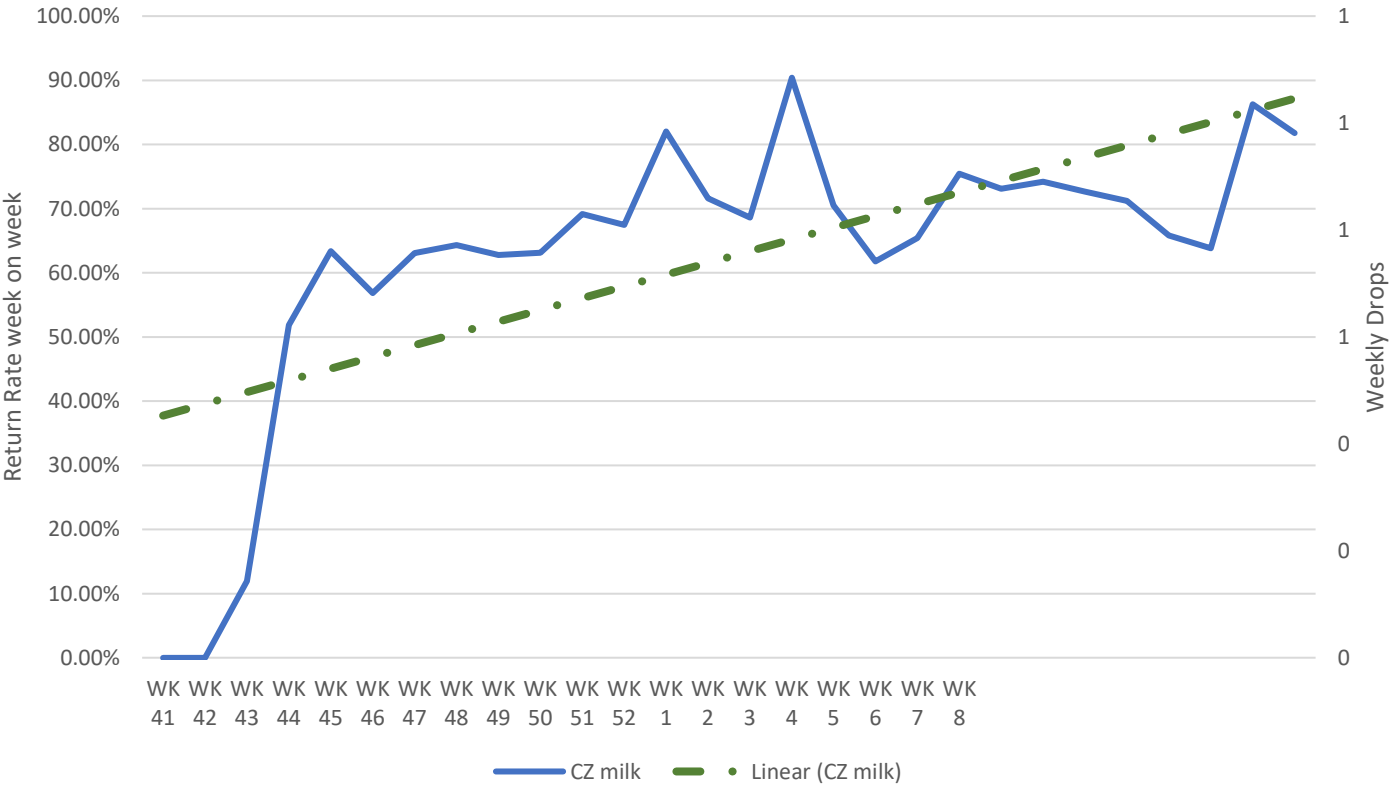
	350g Glass	35g HDPE	50g PP
Bottle Price	Red	Green	Yellow
Process Upgrade	Red	Green	Green
Required Returns*	Red	Green	Green
H&S Risk to Drivers	Red	Green	Green
H&S Risk to Customers	Green	Yellow	Green

*Based on A&C's supply chain modelling, we anticipate a 50% CO2 reduction after 4 returns vs 16 for glass. This is due to the transport emissions of transporting heavier glass

Where are we now?



CZ Returns % vs Weekly Drops



- Returns have averaged 73%
- Target is 75%
- 20% sales boost in category
- High customer satisfaction
- 50% reduction in bottle carbon footprint

I think you've made excellent progress with respect to plastic, well done. I've switched to your returnable milk bottles now. I believe that the responsibility for packaging lies where the control is, with the vendor not the customer. A&C has made great strides in this direction.

Thank you