

Annual Report and Action Plan

Company Name: **7-Eleven Stores Pty Ltd**

Trading As:

ABN: **48005299427**



About APCO

Australian Packaging Covenant Organisation (APCO) is a co-regulatory not-for-profit organisation leading the development of a circular economy for packaging in Australia. APCO's vision is a packaging value chain that collaborates to keep packaging materials out of landfill and retains the maximum value of the materials, energy and labour within the local economy.

Each year, APCO Brand Owner Members are required to submit an APCO Annual Report and an APCO Action Plan. This document is the Annual Report and Action Plan output for the organisation listed above. This document provides the overall performance level of the organisation, as well as any commitments they have made to work towards on their packaging sustainability journey. This document may also include additional information provided by the Member in their report.

Overall Performance **Leading**

The chart below indicates the overall performance level of this organisation listed above in the 2024 APCO Annual Report. The organisation's reporting period was **January, 2023 - December, 2023**



Understanding APCO Annual Reporting performance levels:

- | | |
|--------------------------------|--|
| 1 Getting Started: | You are at the start of your packaging sustainability journey. |
| 2 Good Progress: | You have made some first steps on your packaging sustainability journey. |
| 3 Advanced: | You have taken tangible action on your packaging sustainability journey. |
| 4 Leading: | You have made significant progress on your packaging sustainability journey. |
| 5 Beyond Best Practice: | You have received the highest performance level and have made significant progress on your packaging sustainability journey. |

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Additional Information

The information below indicates additional information that the organisation included in their APCO Annual Report.

Describe initiatives, processes or practices that you have implemented during your chosen reporting period that have improved packaging sustainability

7-Eleven is making significant strides toward sustainability, thanks to everyone involved in our supply chain, from suppliers, to team members, to customers and consumers. We are constantly tracking and updating our processes to ensure the full collaboration with our partners, in order to enhance our understanding of packaging recyclability and develop comprehensive action plans for sustainable packaging.

Our initiatives include:

- 1/ ARL rollout to all new 7-Eleven branded items. This is part of our design standards, ensuring every packaging item destined to customers displays consistent and clear instructions for disposal.
- 2/ ARL integration into our product development and design processes.
- 3/ Packaging review to stay up-to-date and in line with the latest guidelines, especially the latest CEFLEX guidelines for soft plastics.
- 4/ The use of the PREP platform, to allow for the assessment of our product packaging. Every packaging format option is entered in the PREP platform as part of the product development process. Any optimisation identified to transition to or launch with better recyclable formats and reduce problematic packaging is made as early as possible in our development process.
- 5/ A focus on including recycled content where possible:
 - 7-Eleven sparkling water bottles (100% rPET);
 - 7-Eleven stacked sandwich trays and wraps,
 - 7-Eleven milk bottles,
 - 7-Eleven juice bottles,
 - 7-Eleven technology accessory range (100% paper with recycled content),
 - 7-Eleven Johnny's Deli boxes,
 - 7-Eleven shopping bags.

But not only:

- reduced PET packaging weight by 10% in still water bottles;
- drop off of "REDcycle" and introduction of "Check Locally" in lieu of "Store Drop Off";
- worked on removing rigid PS from our sushi packaging range;
- worked on removing carbon black from our meal and sushi packaging ranges;
- worked with Simply Cup and APCO ARL team to introduce a combined ARL for our drink cups and lids .

6/ The support of the Container Deposit Scheme (CDS) by displaying the logos and statements, with permission, on some of our bottles.

7/ Sustainable Packaging Communication: We've increased our team members training and awareness, as well as ensure our suppliers are reminded of our commitments and targets about sustainable packaging and practices.

Describe any opportunities or constraints that affected performance within your chosen reporting period

Everyone at 7-Eleven recognises that packaging - including plastic - plays a crucial role in moving products safely from our manufacturing partners' sites to our shelves in store.

After the last couple of reports, we have identified as part of our commitment for continuous improvement that a serious investment in a specification database was required to maintain high standards of data we share with our suppliers.

Some of the opportunities and constraints identified during the process are listed below:

- 1/ The investigation of CEFLEX compliant soft plastics has concluded in the use of more material. More material has meant not only higher negative sustainability footprint but also higher costs.
- 2/ The delisting of some ranges have lowered our overall recycled content tonnage or use of sustainable packaging materials.
- 3/ Some CEFLEX compliant solutions aren't available in Australia. There have been multiple scenarios of large MOQs coupled with high costs, making the material inaccessible to some of our suppliers.
- 4/ State specific single-use plastic bans have seen us move to more sustainable packaging solutions by forcing suppliers to do the work to comply with their local rules.
- 5/ Negative customers' sentiment around some changes affecting our sales, leading us to reverting back to less sustainable packaging solutions. We've had to re-introduce a PLA coffee lid in lieu of bagasse, because of negative customers' experience.
- 6/ Coffee cups are treated differently than all other packaging formats in the PREP Tool and ARL, as a 'format' rather than based on materials and physical characteristics.
- 7/ The lack of "compostable" labelling through ARL, forcing us to declare packaging as only "landfill" suitable.
- 8/ The establishment of a revised 7-Eleven Packaging specification template, in use in all product processes, regardless of the project scope (new product, existing product, redesign, update to packaging, etc.).
- 9/ Under specific circumstances, state legislation can drive our decision making away from recyclability. While WA legislation promotes the superior use of compostable packaging over recyclable, we believe there is a better end-of-life outcome to a recyclable cup than a compostable cup that is neither collected nor recovered as of today.

Please use the space below to provide examples or case studies of exemplary packaging sustainability conducted by your organisation.

- 1/ In the chosen reporting period, 7-Eleven Stores Pty. Ltd. has registered as a voluntary member of the National Plastic Recycling Scheme led by the Australian food and grocery council.
- 2/ We have also started rolling out expanded waste diversion at our stores, including commingled recycling (with HDPE milk bottles the major material being diverted) and packaged and unpackaged organics waste diversion in Melbourne and Sydney.
- 3/ The trial of multiple destination bins in our head office, with dedicated drink cups / lids and straws collection points (Simply Cup), organics bin, soft plastics bin, paper bin, recycling (co-mingle), CDS destined packaging and landfill.
- 4/ We have made packaging changes as follow, a combination of increasing our use of recycled materials, reducing unnecessary packaging and transitioning to a solution that is recyclable, reusable or compostable:
 - replaced 100% rPET in sparkling water bottles (6.2 tonnes virgin PET removed);
 - reduced PET packaging weight by 10% in still water bottles (125.4 tonnes of PET removed);
 - transformed our technology accessories packaging to be 100% paper (9.54 tonnes of PET removed);
 - drop off of "REDcycle" and introduction of "Check Locally" in lieu of "Store Drop Off";
 - worked on removing rigid PS from our sushi packaging range (2024);
 - worked on removing carbon black from our meal and sushi packaging ranges (2024);
 - worked with Simply Cup and APCO ARL team to introduce a combined ARL for our drink cups and lids

(2024);

APCO Action Plan Commitments

For each of the Packaging Sustainability Framework criteria listed below, a description is provided along with the commitments made by the organisation in their APCO Action Plan.

Criteria 1:

Governance & Strategy:

This criteria considers actions to integrate packaging sustainability into business strategies.

- Develop a strategy that includes goals (objectives) and targets for packaging sustainability that addresses the Sustainable Packaging Guidelines (SPGs) or equivalent.
- Include a commitment to achieving the 2025 National Packaging Targets in our strategy.
- Have our executive or board of directors review our strategy and have the strategy integrated within our business processes.
- Regularly communicate and promote packaging sustainability objectives and targets within our organisation.
- Regularly engage or communicate with our external stakeholders about the environmental impacts of our packaging.
- Actively participate in initiatives to promote packaging sustainability outside of our organisation.

Criteria 2:

Design & Procurement:

This criteria considers actions taken to ensure that sustainability principles are considered in the design or procurement of both new and existing packaging through use of the Sustainable Packaging Guidelines (SPGs).

- Review **100%** of our packaging against the Sustainable Packaging Guidelines (or equivalent).
- Improve the accuracy of our data regarding reviews of packaging using the Sustainable Packaging Guidelines (or equivalent).
- Incorporate the Sustainable Packaging Guidelines (or equivalent) into procurement processes.
- Consider the following Sustainable Packaging Principles in our packaging reviews:
 - Design for recovery
 - Optimise material efficiency
 - Design to reduce product waste
 - Eliminate hazardous materials
 - Use of renewable materials
 - Use recycled materials
 - Design to minimise litter
 - Design for transport efficiency
 - Design for accessibility
 - Provide consumer information on environmental sustainability
- **26%** of our packaging to be optimised for material efficiency.
- Improve the accuracy of our data regarding packaging material efficiency.

Criteria 3:

Recycled Content:

This criteria considers actions taken to increase or optimise the amount of recycled material used by your organisation.

- Develop a policy or procedure to buy products and/or packaging made from recycled materials.
- Use recycled content in:
 - Primary packaging that we use to sell our products
 - Secondary packaging that we use to sell our products
 - Other items which we purchase (e.g. office stationary and suppliers etc.)
- 23% of our packaging to be made using some level of recycled material
- Improve the accuracy of our data regarding use of recycled materials.

Criteria 4:

Recoverability:

This criteria considers actions taken to improve the recovery of packaging at end-of-life and increase use of reusable packaging.

- 100% of our packaging to be designed to have all packaging components be recoverable at end-of-life.
- Improve the accuracy of our data regarding recoverability.
- Use PREP to assess the recyclability of our packaging through kerbside collection in Australia and/or New Zealand.
- Investigate opportunities to use reusable packaging.
- Participate in a close-loop recovery program/alternative collection system.

Criteria 5:

Disposal Labelling:

This criteria considers the extent to which packaging has been labelled to help consumers determine what to do with packaging at end-of-life.

- 100% of our packaging to have on-pack labelling to inform correct disposal.
- Improve the accuracy of our data regarding labelling.

Criteria 6:

On-site Waste:

This criteria considers progress in increasing the amount of on-site solid waste being diverted from landfill.

- Have recycling programs for the following materials:
 - Paper/cardboard
 - Rigid plastics
 - Glass
 - Metals
 - Mixed recycling at store level.Simply Cup recycling for drink cups, lids and straws (coffee, Slurpee and frappes).
Coffee waste and packaged organic waste collection (trial currently underway).
- Aim for **38%** of our on-site waste to be diverted from landfill.

Criteria 7:

Problematic Materials:

This criteria considers the extent to which organisations are actively phasing out problematic and unnecessary single-use plastic packaging and preventing/reducing litter.

- Help reduce litter by:
 - Conducting regular clean ups
 - Delivering a litter education campaign
 - Litter education in schools connected with the Simply Cup program.Reinforce the Simply Cup collection program now the combine ARL is in market on coffee cup. Push for Slurpee and Smoothie implementation and roll out.
- Phase-out the following problematic and unnecessary single-use plastic items:
 - Fragmentable (e.g. oxo-degradable) plastics
 - EPS loose fill packaging
 - Moulded EPS packaging for white/brown goods or electronics
 - Rigid polyvinyl chloride (PVC) packaging
 - Rigid polystyrene (PS) packaging
 - Opaque polyethylene terephthalate (PET) bottles
 - Rigid plastic packaging with carbon black