

Q&A**Marcel Martin,**

Group Supply Chain Director, explains the approach we are taking to tackle plastic packaging waste.



Tackling the problem of plastic

More than a million plastic bottles are sold throughout the world every minute, and most, 91%, are not recycled.

All plastic packaging can and should have more than one life. The beverage industry, including Coca-Cola HBC, has an obligation to take significant action to solve this problem.

Through our World Without Waste initiative, described on page 43, we are committed to collect and recycle all the packs that we put on the market. Achieving that goal requires collective action from many stakeholders, and we are working proactively to help drive these changes.





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Q. Are you seeing changes in consumer behaviour resulting from the negative perceptions around plastic?

A. Plastic pollution is a huge concern and one that we are taking very seriously. While we are not yet seeing consumer concerns translating into significant avoidance of single-use plastics, we know that this is only a matter of time. So, we are taking action now to put the right solutions in place.

Q. Are you considering moving away from plastic packaging in the future?

A. While we understand that this might appear to be a sensible strategy, to be honest, that may not be the most environmentally sustainable scenario. When you look at the overall environmental impact of the different types of packaging material, PET plastic bottles typically have a lower carbon footprint compared to other options.

And, bottles made from recycled PET have an even lower carbon footprint compared to PET bottles made from virgin material.

The challenge is around disposal – we need to create a circular economy around plastics. PET bottles can be recycled many times if they are collected in a well-segregated system and if the industry has good access to the packages that are collected. Most of our bottles are clear or lightly coloured, which means that they can be used to create recycled PET. In turn, recycled PET can be used to make new bottles, creating a closed loop for plastic. We see this closed loop in action with our 100% recycled PET pack water brands that we introduced last year.

Q. What new packaging solutions are you working on?

A. Designing more sustainable packaging is a big priority and this work focuses on four areas: ensuring recyclability, using more recycled materials, reducing the overall amount of packaging and exploring novel packaging materials.

Currently, 99.9% of our packaging is recyclable and we are committed to making that 100% in advance of our 2025 target. In 2019, we made some significant steps forward by introducing bottles made from 100% recycled PET for our water brands in Austria, Croatia, Ireland, Switzerland and Romania. This is an authentic circular approach that significantly reduces carbon impact, and we expect to make more progress in this regard in 2020.

We have also been continuing our work to reduce the overall amount of packaging materials. By light-weighting our bottles, we have managed to reduce total PET used across our portfolio by approximately 25%¹ since 2010. In 2019 we have eliminated 6,000 tonnes of PET plastic compared to 2018. When it comes to secondary packaging, we are eliminating shrink film from multi-pack cans through the introduction of KeelClip™ and carton packs, while also developing solutions to remove plastic film from PET multi-packs.

1. Considering neutral package mix evolution vs. 2010; packaging intensity reduction per litre of beverage produced is 4% in 2019 vs. 2010.





Investing in KeelClip™

In 2019, Coca-Cola HBC partnered with Graphic Packaging International to invest in KeelClip™, an innovative, minimalist paperboard packaging that replaces plastic shrink film from multi-pack cans. All of our markets in the EU will have KeelClip™ by the end of 2021.



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Smart packaging approaches are another area we are exploring. These offer consumers the opportunity to use reusable smart cups with contactless and chip payment technology.

Q. What about biodegradable plastic? Is this a viable option?

A. Two universities, Politecnico di Milan and the National Technical University of Athens, have helped us investigate options using alternative materials. The viability of biodegradable plastics for primary packaging is limited by the very specific conditions they require to break down. However, following on from our work with the universities, we will be testing bio-based and recycled plastic films for secondary and tertiary packaging in several markets during 2020.

Q. What are you doing to ensure that you have access to enough high-quality, recycled PET to meet your future needs?

A. Across Europe and the EMEA region, there is a limited supply of high-quality, recycled PET (rPET) available to produce food-grade packaging. It is also expensive, currently commanding a price premium compared to virgin PET. Because we believe supply pressures will only increase, we are considering a number of options.

In 2006, we invested, as part of a consortium, in the establishment of a 'bottle to bottle' PET recycling facility in Austria. Our investment has meant that we have access to the high-quality, rPET the facility produces from well-segregated plastic. This is an economically sustainable model we are looking to replicate in other markets.

In 2020, we will also pilot some innovative technology on-site at our Krakow plant in Poland. The SIPA-EREMA Prime technology will allow us to process non-food grade 'hot washed' PET flakes, which are readily available, to produce high-quality food-grade rPET. While this is a pilot, we are excited about the potential it has to provide high-quality rPET in a cost-effective way. Innovative, new technologies may also play an important role. One example is an 'enhanced' recycling process that breaks PET down to the molecular level. This helps get around the need for highly segregated recycling, which is currently rare.

In short, we believe the war on waste will be won not through one simple solution but by being innovative, proactive and using many technologies. It also requires that we work with partners who are as engaged and passionate about this issue as we are.

