

Media Release

Woolworths backs SA manufacturing as it launches new Australian-made paper bag

- Woolworths onshores paper carry bag manufacturing with Detpak
- Around 25 new Australian jobs supported, including 12 in SA though multi-million deal
- Made from 70 per cent recycled paper, the bags are certified by PEFC for sustainable forestry

7 December 2020: Woolworths has partnered with South Australian manufacturer Detpak to offer customers locally made paper bags in SA and NT.

The move comes ahead of a progressive national roll out Australian-made paper bags over the 12 months.

The new SA-made carry bags offer a welcome boost for local manufacturing as a result of the multi-million dollar partnership between Woolworths and family-owned Detpak.

The partnership will create at least 12 new jobs at the manufacturer's Adelaide plant and with a further 12 roles nationally as Woolworths moves to Australian production for its paper bags nationwide over the next year.

Woolworths' paper shopping bags were first launched in June 2020 this year in response to customer demand for a paper carry bag option.

Woolworths Supermarkets Managing Director, Natalie Davis said: "While almost all customers are now bringing their own reusable bags, we know unplanned shops still present a challenge from time to time.

"Earlier this year we introduced the option of a paper bag, which can be recycled at home, and the feedback from customers has been positive.

"As paper bags become a permanent part of our range, we're delighted to be supporting new South Australian jobs as we move to a local manufacturer in Detpak.

"Our proudly SA-made bags are the result of Detpak's hard work to build the local capacity needed to supply almost 80 stores across South Australia and the Northern Territory.

"We look forward to seeing our contribution to the local industry grow as we roll out Australian made bags nationally over the next year."

Woolworths has been working with Detpak to plan and grow local capacity since early this year to produce the paper bags at scale in Australia and support a transition to a 100 per cent Australian-made line nationally.

CEO of Detpak's parent company Detmold Group, Alf lanniello said: "Detpak is pleased to be localising the manufacture of Woolworths' paper bags.

"As a South Australian business with 70 years history of local manufacturing, making these bags right here in Adelaide is something we are immensely proud of.

"These bags support the move to a circular economy, and are made from 70% locally sourced recycled content. And, this project will be significant in supporting the employment of South Australians."

The significant investment in local manufacturing to supply bags to Woolworths stores nationally will contribute to broader efforts to grow Australia's local production capacity across industries.

Detpak will continue to build capacity to take on production for the majority of Woolworths' paper carry bags nationally as the supermarket transitions to Australian-made bags across each state over the next year.



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The bag is made from 70 per cent recycled paper in conjunction with un-recycled paper to provide a stronger structure which can carry up to 6kg of groceries. All paper used in the bag is sourced responsibly and is certified by <u>PEFC</u>, giving customers confidence their purchase supports sustainable forest management.

Woolworths' shoppers can choose from four carry bag options including the 20-cent paper bag, with Woolworths' Bag for Good, reusable plastic bags made from 80 per cent recycled materials, and foldable fabric bags also available at the checkout.

Since Woolworths began phasing out single-use plastic bags in 2018 more than 6 billion bags have been taken out of circulation. Only 15 per cent of customers now purchase a new bag during a transaction when visiting a Woolworths store.

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