

ZERO WASTE GOALS IN ACTION: HOW TEGEL IS TRANSFORMING WASTE STREAMS ON FARM AND IN PROCESSING



For Tegel, sustainability isn't something that sits in a strategy document - it's happening in the bins, compactors, hatcheries and feed mills that keep New Zealand's largest poultry business moving.

As pressure grows on food producers to align with New Zealand Government climate targets, including commitments under the Paris Agreement and the Ministry for the Environment's Emissions Reduction Plan, Tegel has taken a practical, system-wide approach. After reviewing sustainability priorities across the business, three areas stood out: **waste, emissions and packaging**.

Waste quickly became a key focus, reflecting the scale of opportunity to improve sustainability outcomes across the business.

Identifying what waste Tegel is generating

In 2024, Tegel's baseline landfill waste volume sat at 6,305 tonnes - a figure that provided both a clear starting point and a strong case for change.

Across processing plants, hatcheries, feed mills and farms, teams began analysing waste at its source - identifying what was being thrown away and whether there was a better pathway than landfill. The objective wasn't just to measure volumes, but to understand each waste stream and find practical diversion solutions.

Diverting organic waste: from landfill to circular solutions

One of the most significant opportunities lies in organic waste. Reducing organic material sent to landfill is critical because when organic matter breaks down anaerobically, it produces methane – a greenhouse gas significantly more potent than carbon dioxide. Globally, landfills are one of the largest human-caused sources of methane emissions, making organic waste diversion one of the most impactful climate actions available.

Depending on regional infrastructure, organic material can be redirected through rendering, composting or anaerobic digestion - turning waste into inputs for animal feed, compost or energy.

This mapping process underpins one of Tegel's most ambitious commitments: zero organic material to landfill, alongside a target to divert 50% of 2024 landfill tonnage by 2028.

The company has already achieved a 24% reduction in weight to landfill by utilising composting, anaerobic digestion and establishing onsite LDPE recycling. Key contributors to this progress include:



- Christchurch weekly mortalities and offal diverted to compost rather than landfill
- Improved segregation and recycling of plastics at the New Plymouth (NP) and Henderson (HND) processing plants
- Breeder egg waste from NP diverted to composting at Tirohia

Tackling complex waste streams: eggs and weekly mortality

Some of the most complex waste streams are biological realities of poultry farming. With around 60 million birds produced annually, Tegel manages natural mortality in line with strict animal welfare obligations, including SPCA standards.

Birds are humanely culled where required in accordance with SPCA standards to ensure they are not left to suffer. From there, diversion pathways differ by region based on available solutions:

- In Auckland, mortalities are sent to rendering that produces valuable materials, mainly poultry meal, oil and feather meal for high protein pet food and agriculture ensuring nothing goes to waste
- In Christchurch, birds are sent to Living Earth for composting, alongside offal that cannot be rendered onsite. The resulting compost is in high demand from local wineries
- In New Plymouth, approximately two thirds of mortalities go to rendering, with a goal to transition the remaining volumes to rendering by the end of April as infrastructure improvements are completed.

Breeder farms also generate egg waste when eggs cannot proceed to hatcheries. Because egg waste can spoil quickly, particularly in warm temperatures, Tegel has introduced clearer segregation systems, dedicated bins and centralised collection processes, supported by breeder farm managers to embed consistent onsite practices.

This work has been implemented across Tegel's New Plymouth breeder farms, with learnings from the region now being assessed for rollout across other areas of the business.

Importantly, not all by-products are classified as waste. The wood shavings used as litter in Tegel's sheds are excluded from landfill waste figures, as they are removed at the end of each growing cycle and repurposed as fertiliser – demonstrating how by-products from operations can be returned to productive use rather than treated as waste.



Plastics and packaging: solving the LDPE challenge

Beyond organics, LDPE plastic - including food grade plastic liners and packaging materials - represents another major waste stream.

Onsite LDPE recycling begins with reviewing all plastic waste generated throughout a site to assess material type and contamination levels. Where suitable, engineering teams fabricate dedicated bins, yellow liners are introduced for clear visual identification, and staff are trained - often during five-minute shift meetings followed by an intensive week of auditing. Staff are trained to understand exactly which items belong in each bin to prevent contamination and maximise recycling outcomes. Ongoing training and spot-checking ensures consistency.

The goal is to make waste segregation at source second nature. One of the biggest challenges is the removal of Personal Protective Equipment (PPE) every time staff leave production areas. Because PPE contaminated with raw chicken cannot currently be recycled, staff must make judgement calls on contamination levels - meaning some recyclable items still end up in landfill.

While recycling pathways exist in some regions, expanding reliable infrastructure, including further diversion options remains part of the ongoing work.

At farm level, broiler farmers have also adjusted how waste is stored and handled, shifting to more structured collection systems. Tegel acknowledges that while many waste streams now have diversion pathways, others still require new solutions to be developed.

Clear targets and real momentum

Tegel's waste reduction goals are clear:

- 50% reduction of 2024 landfill tonnage by 2028
- Zero organic material to landfill by 2028

Achieving this will require a combination of purchasing more recyclable materials, reducing consumption, expanding diversion pathways and continuing to strengthen source separation practices.

Waste reduction forms part of a broader sustainability strategy. Over 90% of Tegel's retail packaging is recyclable - either kerbside or via soft plastics - supported by Australasian Recycling Label (ARL) labelling, with a pathway to 99% ready-to-recycle packaging by 2028.

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Animal welfare remains central to operations. All Tegel farms are independently audited and SPCA certified and all Tegel retail-branded products are Free Range.

From hatcheries to farms, Tegel's waste transformation is grounded in operational change - rethinking systems, behaviours and infrastructure to shift waste away from landfill, one stream at a time.

For Tegel, the journey to zero waste isn't a marketing exercise. It's practical action - and it's already delivering measurable progress.