

Campbell Arnotts Australia

Reporting Tool Setup

Reporting Tool Setup Details

Is this your first year of annual reporting to APCO?

No

Supply Chain Position

Primary: Manufacturer

Secondary: None provided

Industry Sector

Primary: Food & Beverage

Secondary: None provided

Does your parent organisation operate in countries other than Australia?

Yes

Regions: NZ, Indonesia, Malaysia, Japan, Thailand, Singapore, Pacific Islands

Percentage annual turnover attributed to Australian operations: 71%

Reporting Period

Calendar Year: 1st Jan - 31st Dec

Baseline metric

SKUs

Recent reporting: 378

Previous reporting: 357

Campbell Arnotts Australia

LEADERSHIP

1.1 Packaging Sustainability Strategy

Does your company have a packaging sustainability strategy that commits to using the Covenant Sustainable Packaging Guidelines (SPG) (or equivalent)? Yes

Supporting evidence: *At Campbell Arnott's we have our own proprietary version of a SPG strategy embedded in our gate process. This tool is used to drive our decision-making on packaging formats; e.g. PET bottle was chosen over Combibloc for our new premium stock.*

Does the packaging sustainability strategy include specific, measureable and time-based targets for packaging sustainability? Yes

Supporting evidence: *Monthly growth enabler meeting where all packaging sustainable projects are tracked and measured.*

Is the packaging sustainability strategy integrated into business processes? Yes

Supporting evidence: *Yes, through our gating process there is a required field for Packaging to advise the gatekeepers if an SPG is required, and if it has been completed for each required project. At Campbell Arnott's our gatekeepers include the Heads of Department in the Asia Pacific Region (APAC) and the President of APAC – the SPGs are thus considered by our most senior executives regionally.*

Do you publicly report on progress against your packaging sustainability targets? Yes

Supporting evidence: *We reported on our progress at our Asia Pacific town hall meeting (video presentation) and this was also mentioned in Campbell's annual report. This led to a worldwide packaging audit conducted by staff from our world headquarters office (WHQ) in the USA, who are surveying packaging material usage in all different regions (countries). The outcome of the survey will likely be published in a future Campbell's Corporate Responsibility Report.*

Is your packaging sustainability strategy integrated in a quality system for continuous improvement? Yes

Supporting evidence: *Campbell Arnott's shared the great news of being an APC 2016 finalist on our internal global website. This prompted global interest and generated a global audit on all packaging material usage (not tonnage). We expect the results to be shared this year. The Australian packaging team will review global results and leverage internal knowledge where possible. Packaging also became a global R&D strategy focus at the end of 2017; we expect future projects on packaging sustainable to come through in coming years.*

Additional comments: Due to word limit, we can detail only one example: There are many initiatives led by our manufacturing sites to promote sustainability. This includes: re-use of steel drums and buckets, and employee "Make a Difference" programs including educational posters and better availability of waste vs recycling bins.

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LEADERSHIP

Targets

1. Do you have specific targets to review new products against the SPG or equivalent? Yes

Target? We continuously try to improve packaging efficiency (by reduction packaging material) and we evaluate 100% of new packaging formats using our internal SPG template. To keep packaging sustainability in mind, we conduct refresher training every 2 years.

Publicly published? Yes

Annual progress reported? Yes

2. Do you have specific targets to review existing products against the SPG or equivalent? Yes

Target? In the next 2 years, whenever we refresh our artwork, our packaging team must perform an SPG evaluation for any project that qualifies as a 'packaging format change'.

Publicly published? Yes

Annual progress reported? Yes

3. Do you have specific targets to reduce (optimise) the quantity of material used in packaging? Yes

Target? We have a great track record on packaging material reduction for the last 7 years. It has become more difficult to reduce packaging material further as most opportunities have already been exhausted. Hence, we have shifted our focus to impact instead.

Publicly published? Yes

Annual progress reported? Yes

4. Do you have specific targets to improve recoverability of packaging (e.g. reuse, recycling, recoverability)? Yes

Target? 1. 95T of flexible film was reduced from landfill as 10% biscuit portfolio changed from bag-in-bag to bag-in-box. 2. We use PET shrink sleeves on PET bottle to enhance recyclability. 3. We use clear recyclable PET trays for our in tray biscuit range.

Publicly published? Yes

Annual progress reported? Yes

5. Do you have specific targets to use sustainable (e.g. renewable and recyclable) materials in packaging? Yes

Target? Our current buy recycled policy only applies to certain material due to food safety and material availability. Packaging team will challenge in future tender on further opportunities.

Publicly published? Yes

Annual progress reported? Yes

Campbell Arnotts Australia

LEADERSHIP

Targets

6. Do you have specific targets to include on-pack labelling for disposal or recovery? Yes

Target? Recycling logo are standard inclusion on our packaging such as mobius loop for widely recyclable material. The REDCycle logo is currently in consideration for future inclusion. When refreshing existing SKUs next, will look at including the new ARL logo.

Publicly published? Yes

Annual progress reported? Yes

7. Do you have specific targets to reduce on-site waste sent to landfill? Yes

Target? Our target was set at 90%; 3 of our sites have reached the target. The canning site hard to separate product/packaging at dump due to pack format. New recycling audit is focusing on waste diversion improvement, will report in 2018 report.

Publicly published? Yes

Annual progress reported? Yes

8. Do you have specific targets to improve packaging sustainability through procurement processes? Yes

Target? All major packaging suppliers are APCO members - fully embracing APCO. With trials, we aim to improve the sustainability of all packs. In 2017, we converted 183 SKUs tertiary packs from imported bleach white board to domestic brown board.

Publicly published? Yes

Annual progress reported? Yes

9. Do you have specific targets to engage in closed loop collaboration(s) with stakeholders? Yes

Target? Internally we have monthly growth enabler meeting (GEM) where all packaging sustainability projects are discussed, trialed, and tracked. This meeting involves all functions of the business with inputs from suppliers.

Publicly published? Yes

Annual progress reported? Yes

10. Do you have specific targets to reduce (optimise) business-to-business packaging? Yes

Target? We partner with suppliers/supply chain for improvement opportunities; and track through GEM. In 2017, we redesigned a corrugated box impacting 9 SKUs: a better pallet footprint, reduced box weight, and reduced inbound delivery frequency.

Publicly published? Yes

Annual progress reported? Yes

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1.2 Closed Loop Collaboration

Have you investigated options for joining or starting a collaborative closed loop initiative? Yes

Supporting evidence: *Campbell Arnott's already partners with REDCycle to recycle Arnott's post-consumer flexible packaging. We have identified there is a gap for pre-consumer waste material recycling. Currently our procurement team is seeking inputs from waste management companies; we hope to report some positive outcomes in the coming years.*

Have you joined at least one existing initiative or worked with others to set up at least one closed loop initiative or program? Yes

Initiatives joined: 2

Supporting evidence: *REDCycle partnership evidence via annual tax invoice. Campbell Arnott's is a current partner of REDCycle program. In 2017 we initiated conversations with REDCycle to collaborate and improve our recovery rate. Through this exercise, packaging team realised the need to educate our staff about the REDCycle program. We believe this will also help our packaging team to engage with procurement on sourcing higher recycled content raw material (which is food-safe); or high recycled content furnishings (without jeopardising GMP status). At Arnott's manufacturing sites, food waste is also a vital part of a closed loop system. We partner with a company that uses our food waste as pig feed. Furthermore, this company separates out product and packaging, helping to recycle the relevant packaging.*

Is data being collected to monitor the outcomes of these collaborative closed loop initiatives or programs? Yes

Supporting evidence: *Yes, REDCycle tracks the amount of Arnott's packaging recycled through their recycling bins and gives Arnott's a formal report twice yearly - over 19M units (5322kg) was recovered in F17 which is a 10% improvement over F16. We do have monthly invoices for pig feed - currently quantities are not available to us for reporting.*

Have you joined or worked with others to set up any closed loop collaborative initiatives or programs that can demonstrate tangible (quantitative) outcomes? Yes

Supporting evidence: *Yes, REDCycle tracks the amount of Arnott's packaging recycled through their recycling bin and gives Arnott's a formal report twice yearly.*

Is there a formal process in place to continually identify new opportunities for collaboration on closed loop initiatives or to improve existing initiatives? Yes

Supporting evidence: *In 2017, Campbell Arnott's converted 1488T of tertiary packaging from bleached white board to higher recycled content domestic brown board. This initiative facilitates the closed-loop of paper/corrugated board recycling. The effort does not end with us: our board supplier confirmed in 2017 that they are now FSC-certified on all their products. This further strengthens the product stewardship of the closed loop system. In addition, our packaging team started a conversation with procurement on seeking other opportunities. We will share progression in future APCO reports.*

Additional comments: *Information for this question is available upon request during auditing due to the natural sensitivity of the data. We are happy to disclose details on a confidential (non-public) basis for this year.*

Campbell Arnotts Australia

LEADERSHIP

1.3 Consumer Engagement

Do you wish to report against this recommended criteria for the current reporting period? Yes

Do you provide consumers with any information on the sustainability of packaging? Yes

Supporting evidence: *We currently have a guideline for recycling logos/messages on all of our packaging. Over the years due to inconsistent messaging about the recyclability of materials in Australia, Campbell Arnott's have removed some 'green' logos from our packaging, such as REDCycle logo. This is to avoid misleading our consumers. We acknowledge the need of a standardised and validated industry-wide recycling labelling system and hence we expressed our interests in working with APCO to better inform our consumers via ARL on our packaging.*

Does any of your packaging include on-pack claims or labels on packaging sustainability (excluding disposal/recycling)? No

How many SKUs put on the market over the reporting period have package labelling that encourages active consumer engagement in packaging sustainability? 369

Quantitative accuracy: *High*

Supporting evidence: *Out of 378 domestic SKUs, 369 SKUs have a logo or a statement to educate consumers on appropriate disposal or recycling options. We will participate in ARL to align with the industry on recycling information communications. All our tertiary packaging carries the recycling logo.*

Does your company actively engage consumers, through packaging design, to reduce impacts of consumption e.g. less food waste? Yes

Supporting evidence: *We include a general statement informing our consumers how to store our products after opening them if a pack contains more than 1 serving size.*

Does your company support on-pack sustainability education with marketing campaigns? Yes

Supporting evidence: *We have engaged with our marketing colleagues to discuss on-pack sustainability education.*

Additional comments: *Please check the Arnott's website in 3 months for further details.*

Campbell Arnotts Australia

LEADERSHIP

1.4 Industry leadership

Do you wish to report against this recommended criteria for the current reporting period? Yes

Have you led or initiated any packaging sustainability initiative(s)? Yes

Supporting evidence: *From site interviews, we have learnt that it can be as simple as re-organizing waste and recycling bins to boost the onsite recycling rate. In addition, we are in process of setting up REDCycle recycling bins in our regional headquarter office. In this process, we will engage with all employees at headquarters and put up sustainability education posters.*

Do you work collaboratively with other organisations or customers to improve sustainability outcomes? Yes

Number of initiatives: 2

Supporting evidence: *Our packaging team actively participates in APCO and AIP organised functions / workshops/ conferences. We are also currently participating in APCO's newly established Technical Advisory Committee and Special Work Group to contribute and learn about industry sustainability from a scientific/economic point of view.*

Has your organisation received external recognition for its contribution to packaging sustainability in the last 3 year period? Yes

Number of awards: 2

Supporting evidence: *Campbell Arnott's was an APC award finalists the last 2 years. Campbell Arnott's was also a finalist for PIDA 2017 Design Innovation of the year award on Sustainable Packaging & Processing Category - Materials & Packaging.*

Are you actively engaging with peers to promote packaging sustainability and share sustainability knowledge for non-commercial purposes? Yes

Supporting evidence: *In discussion with facilities and marketing teams regarding packaging sustainability posters (REDCycle). We will report on progress in our 2018 report.*

Additional comments: *Our Vice President of R&D shared the good news of Campbell Arnott's being one of the 2016 APCO finalists in our regional town hall; this news was then published in our global corporate responsibility report. Our global packaging team sent through a packaging survey to understand global packaging material usage (not tonnage) in Dec 2017. We believe this will bring us new knowledge for packaging sustainability projects.*

Campbell Arnotts Australia

OUTCOMES

2.1 Packaging Design & Procurement

Do you have a documented procedure on using the Sustainable Packaging Guidelines (SPG) or equivalent to evaluate and improve packaging? Yes

Supporting evidence: *We currently have a procedure on using our internal SPG document; we see opportunities to update and simplify the procedure. Updated procedures will also help with our refresher and on-boarding training.*

How many SKUs put on the market over the reporting period have had their packaging reviewed using the SPG or equivalent to consider sustainability criteria? 378

Quantitative accuracy: *High*

Supporting evidence: *A new SPG template will be completed when there is a new structural format for packaging in discussion. Although we implemented some projects with a new packaging format in 2017; the corresponding SPG was done in 2016. For all other existing products, we would refer to prior completed SPGs.*

How many SKUs put on the market over the reporting period used LCA or a similar life cycle tool to consider sustainability criteria for packaging currently on the market? 50

Supporting evidence: *In 2017, a LCA was conducted (supplier) for our Tim Tam range which impacting 9 SKUs. This is resulting in 25% reduction on fossil fuel emission by changing from 9 to 4 colours (Gravure to Flexo), together changed to solvent free adhesive. In our database, there was 2 PIQET analysis done in 2014 for bag-in-bag change to bag-in-box; and glass 1.5L vs PET 1.25L. 41 SKUs was impacted by the 2 PIQET analysis.*

Additional comments: *As the LCA was done by our supplier, they own the document. Campbell Arnott's needs to obtain written approval before sharing any part of the document. If required, we can provide the 2 SPG we have done in 2016. We can also share the 2 PIQET for the 2 projects mentioned in the previous point.*

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OUTCOMES

2.2 Packaging Materials Efficiency

Has your company developed a plan, or are you investigating opportunities, to optimise the quantity of material used for packaging? Yes

Supporting evidence: Yes, last year we did training with the packaging team on sustainability. This better engagement within the team has led packaging to have the largest impact on growth enablers projects. Our enabler project teams are all cross-functional and constantly seeking enablers such as material and packaging optimization. Here are some examples: 1) Reducing size, weight and board grade (flute) of corrugate. This project resulted in an estimated reduction of 67.5 tonnes of corrugates for 9 SKUs. Additionally, this project was a business-to-business initiative as it reduced the number of inbound delivery by 340 pallets per year. 2) Converted 1448T of imported bleached white board with domestic higher recycled content brown board for 186 SKUs.

How many SKUs put on the market over the reporting period have achieved a reduction in material weight or have been optimised for material efficiency? 254

Quantitative accuracy: High

Supporting evidence: In our 2016 report, we announced we were at final implementation trial stage of our new multipack packaging. It eliminated over 95 tonnes of flexible packaging per year and converted the packaging to a more widely recyclable cardboard carton. This change has been evaluated for many other optimizations as well. 1) Reduction in corrugate weight per inner unit has decreased 2g per inner unit which equates to 3.3 tonnes less corrugate used in 2017. 2) Improved pallet efficiency by 250% from 24 cases per pallet to 60 cases per pallet. The other several projects contributing to the SKU count including: Tim Tam artwork change (8), bag-in-bag to bag-in-box(27), sleeve length reduction(18), and light weight ring pull(4).

Additional comments: In 2016, we had packaging sustainability refreshment training for the Campbell Arnott's packaging team. This new 'refreshed' focus enabled the team to better focus and challenge packaging sustainability in various projects. Where packaging team had the highest impact in all 2017 for growth enabler projects. 1) Reduced our Tim Tam range from 9 colours to 4 colours with Flexographic printing technology. This saved ink waste and electricity. 2) Reduced length of our shrink sleeves without impacting label legibility. This project will save 7.5T PET sleeves per year and reduce 0.5T corrugated for inbound packaging, also reduced 25 pallets of inbound delivery per year. The new product will be on shelf in June 2018.

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OUTCOMES

2.3 Recycled & Renewable Materials

Has your company developed a plan, or are you investigating opportunities, to optimise the quantity of materials in your packaging that are renewable and/or contain recycled content? Yes

Supporting evidence: *We worked with our supplier in 2017 and converted 1488T imported bleached white tertiary packaging to domestic brown board. This initiative increased the level of recycled content. We are trialling further opportunities to convert more bleached white boards to brown boards.*

How many SKUs put on the market over the reporting period have packaging that incorporate some recycled or renewable material content, or have packaging that has been optimised for recycled or renewable content? 378

Quantitative accuracy: *High*

Supporting evidence: *149 SKUs from Arnott's and 36 SKUs from Campbell's side had a tertiary packaging material change during the reporting period. Which majority of them can be found on-shelf now.*

How many SKUs put on the market over the reporting period have packaging that has been *optimised* for recycled or renewable content? 254

Quantitative accuracy: *High*

Supporting evidence: *We have recently converted 186 SKUs tertiary packaging from bleached importing board to domestic brown board. 9 SKUs Tim Tam artwork change, 27 SKUs change from bag-in-bag to bag-in-box, 9 SKUs glue flap redesign, 18 SKUs sleeve length reduction, 4 SKUs lighter weight ring pull.*

Additional comments: *Please check Campbell Arnott's products on supermarket shelves, majority of the change already on shelf.*

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OUTCOMES

2.4 Post-consumer Recovery

Do you wish to report against this recommended criteria for the current reporting period? Yes

Has your company developed a plan, or are you investigating opportunities, to increase or optimise the recoverability of packaging? Yes

Supporting evidence: 27 SKUs of our multipack range have converted from bag-in-bag to bag-in-box format - the cardboard box is more widely recyclable (kerbside recycling) compared to the previous flexible plastic bags.

How many SKUs put on the market over the reporting period have primary packaging that can be recovered through existing post-consumer recovery systems? 378

Quantitative accuracy: High

Supporting evidence: All our packaging can be recycled through either kerbside recycling or REDCycle program (REDCycle has confirmed the recyclability of our flexible plastics). Through APCO round table discussion, we have learned Combibloc is actually recyclable in most councils in Australia. We were since then waiting for the publication of the white paper. We will reconfirm this status once we start using ARL.

How many SKUs put on to the market over the reporting period have packaging that can be recovered through existing systems that achieve highest potential environmental value? 378

Quantitative accuracy: High

Supporting evidence: Through APCO round table discussion, we learnt combibloc can be recycled through kerbside recycling in majority councils in Australia. The partnership with REDCycle confirmed our flexible film can be recycled through REDCycle bin in most Coles/Woolworths stores. With those two materials able to be collected and recycled, that brings all our packaging material recyclable. We will use the new Australian Recycling Logo (PREP) for appropriate logo in up-coming artwork updates.

Additional comments: Our partnership with REDCycle tested recovery capability of all our flexible film. Validation of combibloc kerbside recycling capability was confirmed through APC work group. Our product packaging formats are widely recyclable through kerbside recycling in for majority of local councils in Australia.

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OUTCOMES

2.5 Consumer Labelling

Do you wish to report against this recommended criteria for the current reporting period? Yes

Has your company developed a plan, or are you investigating opportunities, to improve on-pack consumer labelling for disposal or recycling? Yes

Supporting evidence: *Campbell Arnott's will participate in the Australian Recycling Label (ARL) program which is facilitated by APCO to evaluate our recycling message in the next few years. This will help to provide our consumers with consistent, and technically validated information on recycling of our product packaging.*

How many SKUs put on the market over the reporting period have packaging labelled for disposal or recovery? 378

Quantitative accuracy: *High*

Supporting evidence: *We have internal recycling logo usage guidelines that promote the inclusion of relevant logos. Our goal is to be fully compliant with these guidelines as soon as practicable.*

How many SKUs put on the market over the reporting period have product packaging labelled for disposal or recovery in compliance with AS/NZS ISO 14021 Standard for self-declared environmental claims? 0

Quantitative accuracy: *High*

Supporting evidence: *Campbell Arnott's have our internal guideline for recycling logo and message on product packs in order not to mislead consumers. No approved environmental claims can be put on pack.*

Additional comments: *We can provide our internal recycling logo guideline based on request.*

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OUTCOMES

2.6 Product Packaging Innovation

Do you wish to report against this recommended criteria for the current reporting period? Yes

Has your company developed a plan, or are you investigating opportunities, to review whole product-packaging systems to improve packaging sustainability? Yes

Supporting evidence: Here are the top 5 projects we have evaluated or implemented in 2017: 1. We have changed from Gravure to Flexo printing and went down from 9 to 4 colours print for 7 of our most famous Tim Tam SKUs. 25% reduction on fossil fuel emission achieved by smarter design of artwork through close collaboration with our tier 1 supplier. 2. We changed our bag-in-bag format to bag-in-box format for 27 multipack SKUs. This change improved case count per pallet by 250%, and provided a more widely recyclable packaging option for our consumers (outers). Details can be found in case study 1 below. 3. We redesigned the glue flap (on tertiary packs) for 9 SKUs to fit 24% extra flat packs on a pallet with a reduction in corrugated board of 67.5T per year. 4. In 2017, we converted 1488T of tertiary packaging from imported white bleached board to domestic made brown board; this change also improved our tertiary packaging recycled content. 5. We redesigned shrink sleeve artwork to reduce length for 11 SKUs; this change enables us to reduce shrink sleeve material by 7.5T per year.

Does your company have a documented procedure in place to evaluate the sustainability of whole product-packaging systems? Yes

Supporting evidence: We have internal SPG for any projects that involves a new packaging format change

Do you report on product-packaging systems that have been evaluated using LCA? Yes

Supporting evidence: In 2017 LCA (supplier) was completed for our major Tim Tam packaging resulting in 25% reduction in fossil fuel, as a result of reduction of 9 to 4 colours (Gravure to Flexo) and change to solvent free lamination adhesive. In 2014 there were 2 PIQET studies done for our business: bag-in-bag change to bag-in-box and Glass bottle vs PET bottle. Those PIQET studies impacted 41 current SKUs on shelf including the 27 multipack SKUs we converted last year.

How many SKUs put on the market over the reporting period have been evaluated using LCA and have had packaging optimised? 50

Quantitative accuracy: High

Supporting evidence: Tim Tam range (9 SKUs) LCA was done by our supplier, we will need their permission of sharing the actual report. In 2014 there were 1 PIQET studies done for our business: bag-in-bag change to bag-in-box and in 2011 1 PIQET for Glass bottle vs PET bottle. Those PIQET studies impacted 41 current SKUs on shelf including the 27 multipack SKUs we converted last year from bag-in-bag to bag-in-box.

Additional comments: As discussed, LCA was conducted by our supplier for the Tim Tam range, will need to get their written approval before sharing details. PIQET does not support any claims: companies who use PIQET can use it as indicative results of packaging sustainability in the selected countries. However, PIQET does not support any claims made based on PIQET analysis results as PIQET uses industry data rather than site specific data for the online assessment. Based on this point, our company back then made the call not to disclose our PIQET analysis results to market.

Campbell Arnotts Australia

OPERATIONS

3.1 Business-to-Business Packaging

Has your company developed a plan, or are you investigating opportunities, to reduce single use business-to-business packaging going from your sites and facilities to customers (e.g. manufacturers or retailers)? Yes

Supporting evidence: *Our supply chain and senior leaders hold regular meetings with our suppliers and retailer customers to discuss areas of improvement and leveraging opportunities.*

Are you collecting data on the amount of business-to-business packaging you provide to customers that is NOT single-use (i.e. it is designed to be reused more than once and there is a system in place to collect and reuse)? Yes

How many tonnes of single-use business-to-business packaging did you send to customers in the last reporting period? 10770.32

Quantitative accuracy: *Medium*

How many tonnes of single use business-to-business packaging did you send to your customers in the reporting period before that? 11124.77

Quantitative accuracy: *Medium*

Do you have a continuous process in place to monitor and collect data on the amount of business-to-business packaging that has been optimised for material efficiency and reuse (i.e. no further improvements in efficiency or reuse are possible at the present time)? Yes

Percentage optimised: *65%*

Quantitative accuracy: *High*

Additional comments: *Due to customer requirements, the majority of our tertiary packaging is in a shelf-ready format. This leads to single use of packaging. We endeavour to optimize pallet efficiency without compromising product safety and quality whilst reducing material usage (with boosted recycled content). Case study 2 is a great example of our partnership to improve B2B packaging with our supplier, where we improved inbound pallet efficiency and reduced 340 pallets delivery per year.*

Campbell Arnotts Australia

OPERATIONS

3.2 Waste Diversion

Do you wish to report against this recommended criteria for the current reporting period? Yes

Do you collect data on the quantity of solid waste generated at your sites and facilities and the quantity or percentage of solid waste recovered? Yes

How much solid waste did you generate at your sites and facilities over the reporting period? (tonnes) 24806.8

Quantitative accuracy: *High*

Supporting evidence: *Diversion rate 93.2% on average for our 4 sites. We can provide collection data if required. NOTE: 1. The 4th site is the canning site. Due to difficulty of separating product/ packaging, it had lower diversion rate to landfill. In process of waste audit, we encouraged our supplier to bring us solution for this site. 2. There are plans in the next year to divert more waste to energy for 1 site.*

How much on-site solid waste did you reuse, recycle, compost or send to an energy-from-waste facility over the reporting period? (tonnes) 23120.7

Quantitative accuracy: *Medium*

Supporting evidence: *There are plans in the next year to divert more waste to energy for 1 site. We can provide more details upon request.*

Additional comments: *We are currently in the process of a waste management tender with efforts to minimize total waste to landfill. Better waste management operations will enable us to design a holistic approach to waste at all our manufacturing sites and office facilities. Additionally, we are in the process of implementing REDCycle flexible waste pickup from our corporate headquarters in Sydney.*

Campbell Arnotts Australia

OPERATIONS

3.3 Supply Chain Influence

Do you wish to report against this recommended criteria for the current reporting period? Yes

Does your company communicate your packaging sustainability goals and packaging guidelines to the majority of tier 1 suppliers and downstream customers (for business-to-business organisations)? Yes

Supporting evidence: Each year Campbell Arnott's organizes a "supplier day" where all our suppliers are invited to come in to learn about Campbell Arnott's initiatives and ask questions. In this year's "supplier day", a few suppliers gave feedback on our packaging strategies. One of our Tier 1 suppliers confirmed their APC target is to move to 100% recyclable material by 2025. We will partner with our supplier to help them work towards this target.

Does your company provide support to tier 1 suppliers and customers to improve their understanding of packaging sustainability goals and strategies? Yes

Supporting evidence: Our Tier 1 suppliers work closely with us to develop and shape our local packaging sustainability goals and strategies. We challenge each other to achieve better sustainable solutions for the future. One of our Tier 1 supplier confirmed their sustainable packaging target of moving to all recyclable material by 2025. We will partner with our supplier to achieve that target.

Does your company collaborate with tier 1 suppliers and customers to share knowledge and improve packaging sustainability? Yes

Supporting evidence: Yes, throughout the year we have regular technical and procurement meetings with our Tier 1 suppliers. Packaging sustainability is one of the discussion points in the meetings.

Does your company have processes in place to evaluate supply chain risks and opportunities for influence throughout the entire supply chain (tier 1 and below)? Yes

Supporting evidence: As previously mentioned, we have an annual "supplier day" where we share our vision and strategies with all our suppliers. Suppliers are encouraged to communicate with us on any sustainable packaging initiatives; projects are evaluated by cross-divisional leaders. Approved projects then tracked through monthly growth enabler meetings.

Does your company have processes in place to monitor and track compliance with key packaging sustainability requirements throughout the entire supply chain (full traceability)? Yes

Supporting evidence: As discussed previously, our company has regular meetings with our Tier 1 suppliers (procurement + technical) to discuss opportunities/constraints.

Additional comments: We can use batch codes to track our sustainable packaging material movements.

Campbell Arnotts Australia

PACKAGING METRICS

How much packaging by weight did your organisation put onto the market in Australia in the reporting period?

Please include all components including retail and distribution packaging. Completion of this section is not mandatory but highly encouraged. This section will be used to collect information on the total amount of packaging that is being generated in aggregate. Data will be summed across industries and sectors to estimate progress towards achieving packaging sustainability in Australia.

Non Plastics

Aluminium	-
Glass	-
Timber	33578.434 Tonnes
Quantitative accuracy: High	
Comments: Internal calculation - partial pallets are rounded up and included in the calculation. 1 pallet = 34kg. All pallets are returned and reused through closed loop system.	
Metal/Steel	2900000000 Tonnes
Quantitative accuracy: Medium	
Comments: Supplier data - including all cans sizes (this also including export volume)	
Paper/Cardboard	17268.52 Tonnes
Quantitative accuracy: Medium	
Comments: Supplier data	
Composites	-

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PACKAGING METRICS

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Plastics

Bioplastics	-
High-Density Polyethylene	-
Low-Density Polyethylene	1948.32 Tonnes
Quantitative accuracy: Medium	
Comments: Supplier data + separation calculation based on Spec	
Polyethylene Terephthalate	974.59 Tonnes
Quantitative accuracy: Medium	
Comments: Supplier data + separation calculation based on Spec	
Polyvinyl Chloride	-
Polypropylene	1473.94 Tonnes
Quantitative accuracy: Medium	
Comments: supplier data + separation calculation based on Spec	
Rigid Plastics	843.99 Tonnes
Quantitative accuracy: Medium	
Comments: Supplier data	
Soft Plastics	3582.1386 Tonnes
Quantitative accuracy: Medium	
Comments: including all type of soft plastic included in this report	
Expanded Polystyrene	-
Other Plastics	-

Campbell Arnotts Australia

Freeform

Freeform Questions

Describe initiatives, processes or practices that you have implemented over the previous 24 months that have improved packaging sustainability.

All our material saving projects then get evaluated by our senior leadership team; and all approved projects are tracked via monthly Growth Enabler Meeting (GEM). Here are our top 5 projects we have evaluated or implemented in 2017: 1. We changed from Gravure to Flexo printing and went down from 9 to 4 colours print for 7 of our most famous Tim Tam SKUs. Benefits include 25% reduction in fossil fuels, equivalent to 2359 light bulbs to light up for a year. This project was achieved by smarter design of artwork with close collaboration with our Tier 1 supplier. 2. We changed our bag-in-bag format to bag-in-box format for 27 multipack SKUs. This change improved case count per pallet by 250%, and provided a more widely recyclable outer packaging option for our consumers ie diverting 95T of flexible bag off landfill. Details can be found in case study 1 below. 3. We redesign glue flaps (tertiary pack) for 9 SKUs to fit 24% extra flat packs on a pallet with 67.5T corrugates board reduction per year. 4. In 2017, we have converted 1488T of tertiary packaging from imported white bleached board to domestic made brown board; this change also improved our tertiary packaging recycled content. Details in case study 2 5. We redesigned shrink sleeve artwork to reduce length for 11 SKUs; this change enables us to reduce shrink sleeve material usage by 7.5T per year. Details in case study 3

Describe any opportunities or constraints that affected performance within this reporting period.

Opportunities: 1. We are still trialling to convert more SKUs' tertiary packaging from imported white bleached board to domestic brown board. 2. Site waste management audits will give all sites new opportunities. This exercise also reconnected sites and recreated cross-site learning. 3. Participation in APCO TAC/ Work group and ARL will certainly improve Campbell Arnott's recycling message to our consumers. Constraints: 1. Competition of trialling time on the line with tight project timelines 2. Customer approval on the changes (e.g. brown board vs white bleached board) 3. Length and number of trials required for implementation approval due to food safety monitoring process

Campbell Arnotts Australia

Freeform

Freeform Case Studies

Case Study:

File: /APC Draft Case Study - 2017 Bag in bag to Bag in box.pdf

The new Arnott's Multi-Pack Centre features state-of-the-art equipment and technologies which will support innovation for products Arnott's develops for Australian consumers. Through this investment, Arnott's will be able to provide consumers with innovative new packaging solutions that will help meet their changing needs. It will also drive innovation, while improving quality, productivity and onsite safety. The biggest benefit is space. Our new box format takes 27% less space for the same amount of snack-packs. This project was started back in 2014 as we were seeking opportunities to improve transportation and shelf efficiency of our products. The added benefit of this project was to change from a flexible outer bag to a more widely recyclable outer carton - hence more convenient for consumer recycling (kerbside vs selected supermarket collection bins). After 3 years of trialling (21 trials), we launched the products in Australia in July 2017. Based on current sales/ forecast here are some figures we would like to share: 1. If we use sales data from 12 months prior to launch, Campbell Arnott's is reducing an equivalent to over 4000 pallets off the road per year. This is achieved by improved pallet efficiency from 2880 inner packs per pallet to 5400 inner packs per pallet. This also changed pallet count from 24 tertiary cases to 60 cases per pallet, i.e. 250% improvement. 2. This project also diverted 95T of flexible film from landfill per year.

Case Study:

File: /APC Draft Case Study - 2017 Local brown board for shippers.pdf

Campbell Arnott's saw the opportunity to convert from imported bleached board to domestic corrugated board sourced from Botany. The whole leadership team and company very passionate with this project, 186 SKUs was converted in 6 months (compare to standard 12 months project timeline). We successfully converted 1488T per year (186SKUs) from imported, bleached white board to domestic brown board. The difficulties of this project include: 1. Short project timeline with large number of SKUs with different pack size. Prioritization of trials was the number one hurdle. 2. Board grade strength - our supplier provided board grade specifications for trials. Some white boards currently have no equivalent strength brown board in system. This is especially challenging on heavier products with shelf ready pack format. We still developing/trialling with our supplier. 3. Budget - we had set budget for trials. Efficiency/ representation of trials was the 3rd hurdle. 4. Consumer/customer engagement/ feedback. Despite the packaging sustainability this project presents; it was a hard to sell story at the beginning to our customers. As previously mentioned, we are still working closely with our supplier to develop/ trial new domestic board grade. We would like to convert all remaining technically feasible SKUs to brown board in 2018. We will report on progress in 2018 report.

Case Study:

File: /APC Draft Case Study - 2017 Gravure to Flexo savings.pdf

The project started as a result of looking for opportunities to reduce materials for some of our major brands. Aligned opportunity to update graphics of our Tim Tam range. Working with one of our Tier one supplier, we discovered a print technology on offer from them (High definition flexo). We then challenged them to run optimal number of colours to achieve the design. The successful implementation has resulted in the following savings: Based on our annual sales, those 9 SKUs achieves 11T material saving due to reduced ink weight. The change also reduced 25% fossil fuel emission; amount of saving equivalent to light up 2359 light bulbs for 1 year. The mind-set and approach to the change is very different, where instead of taking the current Gravure design and trying to match it with Flexo, we enhanced the colours and design best suited to 4-colour process prints. Furthermore, some compromised was required, for example the gold lettering had to change to red because gold is more 'brown' in 4-colours process. The key here is the artwork design approach was very different to how it has traditionally been achieved with premium prints. The new High definition Flexo technology meant better results could be achieved compared than 10 years ago. In the end, we achieved an outstanding new design that the marketing team were excited about, delivered some savings, and still looked premium for consumers.

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