



Signatory Name: Campbell Arnotts Australia

The question numbers in this report refer to the numbers in the report template. Not all questions are displayed in this report.

Status: Complete

The content in this APC Annual Report is hereby endorsed by the Chief Executive Officer, or equivalent officer of the organisation.

Yes

5. Industry sector (please select 1 only):

- Brand Owner / Wholesaler / Retailer
- Packaging Manufacturer
- Waste Management
- Other - Commercial Organisation
- Community Group
- Industry Association
- Government
- Raw Material Supplier
- Other:

6. Industry type (please select 1 only):

- Food & Beverage
- Pharmaceutical / Personal Care / Medical
- Hardware
- Homewares
- Communications / Electronics
- Clothing / Footwear / Fashion
- Chemicals / Agriculture
- Fuel
- Large Retailer
- Tobacco
- Shipping Company
- Airline
- Other:

7. Please indicate your organisation's reporting period:

- Financial Year: 1 July 2015 – 30 June 2016
- Calendar Year: 1 January 2016 – 31 December 2016

Goal 1: Design

KPI 1: % of signatories with documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent.

9. Does your company have documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent?

Yes No

Provide details of policies and procedures

Campbell Arnott's continuous using internal modified version of SPG on new innovating projects to make sure we give our project teams the scientific feedback on all packaging formats.

The Campbell Arnott's SPG is part of the idea generation gate (1st gate) ; where we believe it is much easier to modify and/or change our packaging proposal in a methodological way once we go through SPG in the early stage of the project.

10. Of the types of packaging **existing at the beginning of the reporting period**, what percentage had been reviewed using the Sustainable Packaging Guidelines (SPG) by the end of the reporting period?

%

11. Have any new types of packaging been introduced during the reporting period?

Yes No

12. If yes, of the **new types of packaging introduced during the reporting period**, what percentage have been reviewed using the Sustainable Packaging Guidelines (SPG) by the end of the reporting

%

13. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 1

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Complete Campbell Arnott's Sustainable Packaging Guideline (SPG) Template for all new pack formats and materials	In 2016, 1 Campbell Arnott's SPG Template was filled and stored in the central packaging team folder. Please note, a couple major projects (will discussed more in later section of this report) SPG already been captured in the previous years. Hence only 1 brand new design requires SPG in calendar year 2016. As this product not launched yet, details of the project will be reviewed in the next report.
2.	SPG Guideline Training	As indicated in last year's report, there were high staff turnover rate within the packaging team. Full training on SPG was conducted to boost the awareness and gap-fill the knowledge gap. In addition, it was identified that in order to get the sustainable packaging packaging design brief through the product launch gates; packaging team needs understanding and supports from other stakeholders including regional senior leaders. For this 2016 SPG, packaging team engaged with Campbell's marketing and consumer insight team. This engagement was welcomed by Campbell's marketing and consumer insight team. Packaging team will now involve relevant marketing leads and consumer insight colleagues for future SPG work.

3.	Regular packaging team meeting	<p>During 2016, Campbell Arnott's continued on with the monthly packaging team meeting initiative. Team members use the opportunity to share their learnings; experience and suggestions. These including gaps in training, outdated packaging manual, process awareness and implementation (across whole R&D), and better site engagements.</p> <p>A review of the R&D packaging workflow was conducted where the Packaging team started mapping out tasks and process together with other R&D colleagues. This is now the updated streamlined process flow. This updated streamline process flow gave R&D greater project process efficiency since the day of implementation.</p> <p>In addition, AU team shared all AU learnings with Campbell's World Head Quarter packaging research team; this helped to re-launch of Campbell's internal global packaging websites. Trainings on packaging formats, experimental designs, product/packaging interaction and videos that were developed to benefit all technologist in Campbell's. Further more, a packaging only quarterly newsletter had its first publication in late 2016. This newsletter is aiming to show case great packaging development within Campbell's global family - where packaging sustainability (including benefiting consumers to reduce waste, easier consumption method) is one common point in all articles.</p>
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4.	Investigate additional opportunities (beyond SPG's) for measuring sustainability of proposed packaging formats	<ol style="list-style-type: none"> 1. Although there are gating process in place, it is somewhat unclear when all the minor tasks that has to take place prior to each gate for different R&D functions. Packaging team took the initiative to engage with all the other R&D colleagues to understand full project tasks, milestones and timeline. Through this exercise, packaging team promotes the need of early engagement for better packaging sustainability. 2. From point 1, the whole R&D team developed and started using a new technical scoping document. Where packaging can use this opportunity to flag any packaging related concerns early in concept stage. 3. Following from point 2, packaging team identified there is a need to build a separate packaging risk management template. This template helped the packaging team to mitigate new packaging development risks; reduce trial and product risk and wastes. 4. Share learnings with global packaging team - to better understand what's the need on training. This leads to the re-launch of internal global packaging learning website and packaging only newsletter. This also include better experimental design training. 5. Another AU lead initiative which helped with packaging sustainability is better IT supports. This including an online library for all trial proposals and reports; Microsoft Notebook, online artwork work-flow system (this is only launched in Jan 2017). 6. Packaging team members attending various AIP/ APC events, workshops and other industry functions; learning are shared across the team in team meetings. 7. Supplier engagement - invite suppliers on site or packaging team visit supplier sites to better understand process from both sides. This not only improves efficiencies but also gave both sides opportunities to share sustainable packaging initiatives and plans. 8. Meetings with CSIRO to understand government research direction on packaging. 9. OHS training with all packaging team; such as better signage for glue gun and heat seal machine and safe knife usage course. In addition, corporate identified the need for packaging only utensils such as heat resist gloves, and cardboard cutting knives. 10. Monthly wide R&D meeting where packaging team uses the opportunity to share latest trends, technology and industry news with other R&D colleagues. This including Australian Packaging Covenant initiatives and requirements.
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14. Describe any constraints or opportunities that affected performance under this KPI

Constraints:

High turnover rate in marketing department. After establishing good understanding of sustainable packaging design, there was a few changeovers in the marketing department. There is a need to re-train with marketing department.

Business priority - sustainable packaging initiatives are not recognised as business priority - from the site perspective. This has to compete for resources. This was contradicting to global business focus which needs to be addressed.

Opportunities:

Use the on boarding of new marketing as the opportunity to introduce sustainable packaging design.

Use the whole R&D monthly meeting to introduce and share learnings of sustainable packaging with wider R&D group.

Goal 1: Design

KPI 1: % of signatories with documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent.

Rating

4

Rating Comments

Well done on formalising policies to incorporate SPG reviews into your stage-gate process so that packaging is analysed at the earliest stage. It would be beneficial to hear if any opportunities were identified as a result of packaging reviews or any changes were made/scheduled after identifying those opportunities. Even if opportunities were not identified, it would be beneficial to hear what the barriers or constraints were.

It is great to see that other aspects of the business, such as Consumer Insight, are being involved in packaging work. The sharing of knowledge between Australia and Global packaging teams is commendable. It is evident that an enormous amount of effort has been undertaken to collaborate, share knowledge and become an industry leader. Further detail on tangible outcomes that were achieved (regarding packaging changes) would strengthen this KPI.

Goal 2: Recycling

KPI 3: % signatories applying on-site recovery systems for used packaging.

15. Do you have on-site recovery systems for recycling used packaging?

- Yes at all facilities/ sites
- Yes at some, but not all facilities/ sites
- No

16. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 3

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Benchmark and review of recovery rates	Each year Campbell Arnott's reviews our on-site waste recovery rates against our benchmark. Following is our track record (percentage of waste diverted from landfill) and result for 2016. 2011- 80.1% 2012 - 83.3% 2013 - 54.2% 2014 - 86.2% 2015 - 86.64% 2016 - 94% 2016 results showed good improvement from 2015.
2.	Implement projects at site level to contribute to Campbell's global goal of recycling 95% of all plant waste generated	In 2016, 2 of the sites reached global goal of 95% and above. Third site had on-site recovery rate from landfill of 86%; in addition, this site has bulk liquid recycling (which we no longer collect data therefore can not put a figure here), REDcycle recycling (9,624kg recovered up from 2,700kg in 2015) which is not part of the recovery rate calculation. Fourth site has recovery rate of 79% which is up from 30-40% in 2015. The difference is driven by staff awareness training program. The fourth site had a long term plan; instead of setting targets; the site designed posters around different area of the factory. Those posters driven knowledge awareness which driven behaviour change. Where the site already modified its strategy for 2017 where the site expects to see further improvement in the coming years with this new strategy.

17. Describe any constraints or opportunities that affected performance under this KPI

Constraints:

1. Difficult to improve recovery rate further for sites already exceeding the 95% global target.
2. For the 3rd site, as bulk liquid and flexible film recovery not part of the calculation, it is going to be difficult to improve the results further
3. For the 4th site, the strategy is working; but the progress rate is slow. Hence the modification of 2017 strategy.
4. El Nino - prolonged hot summer which increased the energy and/or water usage in most of the sites.
5. Cost associated to participating in REDcycle program for sites.

Opportunities:

1. Participate in REDcycle program for 2 other biscuits sites
2. Place recycling bin for canning site to recycle trial and QA testing cans and redundant products

Goal 2: Recycling

KPI 3: % signatories applying on-site recovery systems for used packaging.

Rating

5

Rating Comments

Congratulations on achieving such a high landfill diversion rate and improving since the last period at most sites. Recycling of materials such as soft plastics through Redcycle is also commendable.
For sites with some room to improve, they may like to consider expanding the materials in which they collect by reviewing recycling targets within their waste collection contract, or by considering innovative solutions like food waste recycling. It is great to see that progress can partly be attributed to staff education efforts, through methods such as signage.

KPI 4: Signatories implement formal policy of buying products made from recycled packaging.

18. Does your company have a formal policy of buying products made from recycled packaging?

- Yes No

Provide details of policies and procedures (including names of policies/ procedures)

As stated in previous report Campbell Arnott's has a buy recycled policy - 'Specify Recycled Policy' in place. Corporate procurement team would source packaging material which contents recycled content where feasible.

19. Is this policy actively used?

- Yes No

20. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 4

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Implement 'Buy Recycled' procurement policy	1. With the 'Specify Recycled Policy', corporate procurement and packaging technologist would work together to source packaging material which contents recycled content where feasible. 2. In order to help packaging technologists to make better informed choice regarding recycled content on all existing boards/ cartons; packaging team worked with suppliers to update internal online database with recycled content information. Recycled content for boards changed from 95.19% to 96.17% from 2015 to 2016.

21. Describe any constraints or opportunities that affected performance under this KPI

Constraints:

1. To implement higher recycled content packaging material requires trials to proof the higher recycled content material can perform as well as virgin material throughout full supply chain. It is harder to get time online when it is not business priority. This is again from a site perspective, which not from global business sense.
2. Direct content with food - until today, FSANZ has not validated and approved any recycled content packaging material in the primary packaging category that Campbell Arnott's is operating (apart from cans + bottles). Therefore the focus is primarily on cardboard and corrugated cardboard.
3. As our juice is shelf stable product, our packaging material needs higher barrier property which current rPET can not achieve. In addition, there is constraint of cost and supply with rPET.
4. Customer requirements regarding shelf ready packaging (maximum shipper case count, white lined corrugated board grades)

Opportunities:

1. Campbell's has trialed new FSC certified combibloc; implemented in half of the range. Still trialling the last packaging size; there is possibility of moving to FSC certified board in 2017 with satisfactory trial results
2. As recycled content can be easily found in Campbell Arnott's internal online database; it will help packaging technologist to make better informed decision.
3. Technical Vice President read this report realised the miss link between global sustainability initiatives and site priorities; will help to address this in the future.

Goal 2: Recycling

KPI 4: Signatories implement formal policy of buying packaging made from recycled products.

Rating

3

Rating Comments

It is great to see that you have a Recycled Policy in place and that it has supported data management around current levels of recycled content purchasing on existing boards/cartons. Demonstration of other purchasing outside of carton board would strengthen this KPI.

Has Campbell Arnotts considered investigating levels of recycled paper/board or plastic in marketing materials? Such as promotional stock, retail displays, or signage?

We also encourage you to continue engagement with FSANZ and other industry leaders around recycled content in food contact packaging as it is an area that will likely involve with support of research and trials. We look forward to seeing possible full integration of FSC certified board in future periods.

Goal 3: Product Stewardship

KPI 6: % signatories with formal processes to work collaboratively on packaging design and / or recycling.

22. Does your company have formal processes in place for collaborating with other companies or organisations on improved packaging designs and/or recycling which aims to reduce or eliminate waste?

- Yes No

Provide details of policies and procedures (including names of policies/ procedures)

In Campbell Arnott's there are several ways we work closely with our suppliers

1. New product development
Campbell Arnott's partner with our suppliers, consumer research team, supply chain to understand customer and consumer need before we finalising packaging decision on brand new packaging line developments. This including understanding current production line constraints, seeking supplier capabilities, extended joint trials with supplier(s) and site(s).
2. Improvement on existing product packaging
Internally, packaging team works with consumer feedback team to identify packaging improvement opportunities. This including better accessibility to product (hence reduce product waste); change packaging dimension to reduce packaging material usage yet still provide consumer same amount of good quality products; change packaging format to improve consumer convenience + improve supply chain efficiency. Good example including understanding consumer feedback; where feasible work with product development to tighten product specification. Packaging team can then change dimension of packaging that can tighter fit of same weight of product.
3. Packaging tender
Currently Campbell Arnott's domestic procurement team works with only APC signatories where suppliers all aware and have their sustainable packaging initiatives.

23. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 6

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Work with key suppliers to minimise environmental impact of packaging, implementing projects that reduce packaging materials by 9,000 tonnes by 2015	<p>Campbell's side</p> <ol style="list-style-type: none"> 1. 2 can size with material reduction trialled and implemented in 2016 which equates to 73.73 tonnes of steel was saved. 2. Trialling easier opening can ends to improve consumer accessibility for export soups (domestic packaging already implemented in previous years). Although only export lines went through the change, the trial and initiative was carried out in Australia. 3. Trialling new ends/ supplier due to supplier site closure. In 2016, one of Campbell's supplier notified Campbell's their decision of site closure and stop supplying in a short notice. To ensure Campbell's continue to supply our consumers safe products, Campbell's went through several stages to source the most suitable new packaging. This process including inspecting the design of the newly proposed replacement; doing 9 online trials and 3 transport trials; to ensure Campbell's can maintain the quality and safety of our products ie we do not increase wastage of product due to packaging failure. 4. Standardise label dieline - packaging technologist identified there were 2 dieline used (artwork) for the same size of product. Packaging technologist initiated the conversation with internal stakeholders to standardise the dieline to create better efficiency on packaging line. <p>Arnott's side:</p> <ol style="list-style-type: none"> 1. 10 multipack skus in Arnott's portfolio was recognised a potential of pack size reduction. After extensive trials, it was identified 16g/ per individual tray and 30g per shipper can be saved. Based on

F16 sales data, Arnott's has saved 223.18T of packaging just this project alone.

2. As previous stated, Arnott's puts our consumer and customers first. We have listened to our customers, the current bag-in-bag multipack is bulky; they would prefer a more compact packaging format; which is easier to be stored inside pantry. Arnott's since then (2014) started trialling the new packaging format (SPG done in the previous years). After 21 trials (From 2015 to date), Arnott's is now at the commissioning stage of the project. In total 27 skus will be transformed.

Here are some of the main points we would like to share regarding this project:

- Case count per pallet changes from 24 cases to 60 cases. Improved pallet efficiency by 250%. 26% less pallets/ trucks on the road (just through Woolworths Supply Chain) which equates to removing 11,626 pallets off road per year.
- Case change from B-flute to 99.6% recycled content i-Flute board which saves 309g/ case.
- Extended shelf life (by several weeks)
- Improved recycleability inner pack (through REDcycle / supermarket participated store program)

Annual packaging material savings will be calculated based on F17 data and be reported next year.

Another project which applied to both Campbell's and Arnott's is to confirm supply of FSC boards from Corrugated cardboard suppliers. In addition, in 2016, there were 8 extra skus introduced in Campbell's and Arnott's portfolio. The recycled content of the corrugated cardboard increased from 95.19% to 96.17% from 2015 to 2016; which the tonnage was reduced from 9,443T to 9,160T. This also applies to cartons, which the usage was dropped from 6,603T to 6,304T.

<p>2.</p>	<p>Packaging team regular meeting and networking with other key stakeholders in the supply chain to better understand environmental technology, constraints and opportunities.</p>	<ol style="list-style-type: none"> 1. In 2016, Campbell Arnott's continuous with its tradition to pay Australian Institute of Packaging annual membership for all the packaging technologists. This helped all technologists to stay connected with the packaging industry through monthly newsletters. 2. Campbell's subscribes monthly food and packaging magazines to help packaging technologists stay in touch with the latest technology and trend around the global. 3. Packaging technologists participated in various AIP organised site visits to learn sustainable packaging initiatives from other companies. 4. In 2016, Campbell Arnott's sent 3 technologist (2 from AU and 1 from Indonesia) to attend the annual AIP conference. Technologists used the opportunity to learn the latest technology, collaborate with each other and networking with other industry professionals. The 2 technologists from AU shared their learnings with other packaging technologists in AU. The Indonesian technologist also shared his experience in Indonesia to help AU packaging team to better understand the differences in markets and supply chain. 5. Packaging technologists from Campbell Arnotts attended APC workshops to learn together with other industry peers 'pressure points' of packaging sustainability in different consumer goods industries. Upon return, packaging technologists shared those learnings with Campbell's environmental specialist to seek improvement opportunities. 6. Campbell's also participated in NSW EPA information session to learn about NSW Container Deposit Scheme (CDS) program in order to get company ready for the change. The team continued on monitoring the development of NSW CDS. 7. Campbell's invites potential and current suppliers in to learn their new capabilities. 8. In 2016, AU packaging technologist participated in Campbell's internal packaging program to lead and develop (packaging) technologists online training materials. Those training material now available for all Campbell's R&D development; Campbell's believe this will help to better link the food and packaging in the future. 9. Campbell's also trained packaging technologists product manufacturing processes, occupational health and safety, and 6 Sigma continuous improvement process. Packaging technologists use those knowledge to improve trial plan and efficiency. 10. With restructure of the packaging team, the future packaging role has been expanded where packaging sustainability (broad range including recycling, recycleability, accessibility, etc) discussion all heavily embedded in this role.
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24. Describe any constraints or opportunities that affected performance under this KPI

Constraints:

1. As stated in previous report Campbell Arnott's took food safety very seriously. Any material reduction, or change requires intensive trialling prior to launch. With busy production line, it is difficult to obtain trial time. In addition, sustainable packaging projects often require capital investments; without real 'savings' it is hard to obtain funding.
2. Retail and consumer demand - prefers certain packaging formats where existing production line not capable of achieving. This also including higher packaging material grade or printing due to customer requests.

Opportunities:

1. To fulfil retail and consumer demand, Arnott's obtained capital funding for new packaging machinery. This project will save supply chain minimum 26% of pallets on road (Woolworths alone).
2. By having monthly packaging meeting, knowledge was better shared amongst the team. This also better leveraged in future packaging projects to identify packaging knowledge gaps.
3. New future packaging development process will better link packaging in new innovation projects

Goal 3: Product Stewardship

KPI 6: % signatories with formal processes to work collaboratively on packaging design and / or recycling.

Rating

5

Rating Comments

Collaboration with many aspects of the supply chain is evident, such as with packaging suppliers and even consumers (through consumer feedback team). It also great to see that this has resulted in positive and tangible outcomes such as material reduction in cans. Internal collaboration to create production efficiencies is also commendable. Knowledge sharing and industry leadership in several areas is evident, and we encourage you to continue efforts in this area such as continuing to work with APC as it tackles common industry issues like coffee cups and polystyrene.

KPI 7: % signatories showing other Product Stewardship outcomes.

25. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 7

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Explore and implement other opportunities to minimise Campbell Arnott's environmental impact	<p>In 2016, 630 retails (531 Coles and 99 Woolworths) participated in REDcycle program where consumers returned/recycled over 9.6T of Arnott's branded flexible bags.</p> <p>QLD site continues with the battery recycling, fluorescent light tube recycling program. In addition 2 new projects were trialled in QLD site:</p> <ol style="list-style-type: none"> 1. Semi Automate Ovens - this was installed with fine tuning PID control. Expected benefits are better control, optimised start-up time, and better control on gas usage. 2. WWTP - received 2 proposals; waiting for a 3rd one. Proposal submitted to World Head Quarter (WHQ) for review; commissioning target Aug 2017. <p>In 2016, for QLD site; energy and water usage was negatively impacted by El Nino (long and hot summer/ autumn). Which caused Energy use per tonnage of product was slightly behind than 2015. Water usage per tonnage of product was better than 2015 with more reliable carrier washer system.</p> <p>For our NSW site, the same as the QLD site, continue on with the battery recycling, fluorescent light tube</p>

recycling program. In addition, 3 other projects were trialled.

1. Energy Efficiency Oven Burners - currently gathering all performance data. Requires status check to make clear way forward positions
2. Chilled water VSD - In progress; however completion of project was delayed due to commissioning issues during summer. Postpone until cooler weather to mitigate plant interruption.
3. Continue on from 2015, completed to replace office LED panel lighting. This reduced 40% energy usage.

Energy usage per tonnage product was slightly ahead of 2015 with improved gas use per tonnage but slightly increased electricity due to warm summer and autumn. Water usage per tonnage of product was behind 2015 due to unusual warm autumn and began of 7 days production.

For our SA site, here is the list of progressing and completed environmental related projects.

In progress:

1. LED lamp/ light replacement trial - currently trialling in Admin office
2. Solid Waste recycling - in long term should reduce water consumption from wash down of waste bins.
3. Refrigeration controls - Investigate opportunity for savings on cooling tower energy management as the next phase after completion of recent project.
4. Jacketed chocolate pipework hot oil replacement - expecting side benefit is in reduction in heating cost.

Completed:

1. Refrigeration control - installed, fine tuning PID control. Expected benefits - more efficient control.
2. Installed 2 new Kaeser air compressors for energy reduction .
3. Wafer refrigeration compressors replaced with energy - energy efficiency savings & water saving as cooling tower has been removed.

Both energy and water usage per tonnage production are reduced due to the following reason:

- Longer production runs
- Shortening manufacturing plant
- Compressed air plant
- Wafer refrigeration plant compressors replaced with energy efficient units & cooling tower removed

For VIC site, here is the environmental project lists carried out in 2016

1. SynRM Drive - annual energy saving equates to \$14k. Next step, extend this technology to another 2 refrigeration compressor drives.
2. Retort water savings - phase 2 delivered, which saves >80,000L water per year.
3. Flow direct water heaters - on-going; currently scoping and in discussion with Campbell's world head quarter to leverage past experience.

Behaviour energy reduction - in 2015 report, it was mentioned that our VIC site has done things differently. VIC site wants our staff to learn and adapt energy/ water saving behaviours through their daily life. VIC site purchased meters which staff can take home

		<p>to learn how much energy consumption would be for a lamp at home if leaves it on; how much does that equates to for a year. Through this model, staff working on production line was empowered to make necessary adjustment; hence packing line warm up time would start later rather than at the same time as product production (there is normally 1 hour gap in between). However, it is rather difficult to measure the change without formalising this process. On site green team will formalise the process and capture the savings in 2017.</p>
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26. Since the beginning of the reporting period, has your company had any other outcomes related to product stewardship?

Yes No

If yes, please give examples of other product stewardship outcomes

Following on from 2015 corporate responsibility survey, although full details was not shared; all employees were notified where sub-groups are working on area of concerns. In addition, to work more transparently and work as one company globally; Campbell's started work Facebook. This was a subsequent initiative from 2015 - 'our commitments' and 'how our products are made'.

Apart from work Facebook, Arnotts has its charity organisation - Arnott's foundation. The Arnott's Foundation is the charitable arm of Arnott's Biscuits Ltd. Since its inception in 2004, The Arnott's Foundation has raised money with the aim of creating positive environments that allow families to build, maintain and enjoy a better quality of life.

The Arnott's Foundation is proud to support the valuable work of organisations such as Camp Quality and Fairy Sparkle who are its major benefactors. It also co-ordinates the donation of product from Arnott's Biscuits to Foodbank and Driver Reviver.

Here is the list of activities Campbell Arnott's head office and NSW site jointly organised:

- **Annual Gala Ball**
 - Our biggest event of the year raising funds for Camp Quality, which just celebrated it's ninth year.
 - Attended by over 700 guests at the Star Event Centre Sydney.
 - Over 500 families of children living with cancer in Australia will get the valuable opportunity to attend Camp Quality Family Camps and build their resilience, positively and build memories that will last a lifetime. Camp Quality Family Camps provide an essential break away from the stresses of cancer for kids and their families.
- **North Strathfield Health initiative – GCC**
 - Corporate health initiative where teams of 7 challenge themselves to walk as many steps as possible, whilst raising much needed funds for the Arnott's Foundation.
 - Teams ran various fundraisers, such as bake sales and product sales.
- **North Strathfield Trivia Night**
 - The annual trivia night held in the North Strathfield Culinary Centre each year, with the prestigious trophy being fought over through some friendly competition.
 - With about 12 teams of 10 participating, the lively event always raises the bar with funds donated to Fairy Sparkle and Camp Quality.
 - Each year a different theme is chosen and participants enjoy dress up, with prizes awarded for the best dressed individual and team.
- **Virginia Golf Day & High Tee**
 - Another annual event, the Virginia Golf Day raises money for Camp Quality & Fairy Sparkle. Participants from our Virginia site and suppliers are invited to a nice day out on the gold green.
 - The 2017 golf day will see the addition of a "High Tee" event with trivia, prizes for best dressed, specialty stalls and a guest performer.
- **Huntingwood Mega Man**
 - Mega Man is an annual friendly competition where employees compete against each other in a series of obstacles – including sprints, push ups, burpees and planks.
 - Fundraising is a big component as participants receive bonus points pending how much they can raise. Our suppliers are a great contributor to this, through the sponsorship of competitors.
- **Huntingwood Mega Games**
 - An opportunity for those who are keen to get active in a more social way, the Mega Games was introduced for the first time in 2017, this event is run on the grounds at Huntingwood where teams of two participate in fun activities such as Jatz on a string, basketball hoops, dodgeball and three legged race.
- **Huntingwood Family Fun Day**
 - Always a popular event with the local Huntingwood community, Huntingwood Family Fun Day opens the doors of our Huntingwood site to the public for a guaranteed fun filled day of entertainment,

there is even a factory tour available for those who want to see how our iconic biscuits are made including Tim Tam!

- **Camp Quality Family Camps**

- Each year our employees attend Sydney based Family Camps for the day and volunteer to help with kids activities including Make Your Own Tim Tam and build your own tower. Our major beneficiary Camp Quality runs a series of family camps around Australia every year allowing Camp Quality's camps offer families living with cancer the chance for a weekend escape, an opportunity to reconnect, have fun and relax. The relaxing and supportive environment is also an opportunity to meet and talk with other parents and children going through similar experiences and build strength through solidarity.

In addition, Campbell Arnott's continued on with the past product stewardship programs,

- To minimise waste on printing and copying; all printing/copying on sites now require scan of badges; and default setting is in double side printing with black ink only
- Use Skype presentation and Teleconference to minimise travel quest
- Using TV projectors to minimise printing requests for meetings
- Motion sensor fitted in meeting rooms to automatically turns off lights and air conditioning
- Donate excess stationery to university
- Toner cartridge recycling
- Re-arrange on site recycling bins (corporate head office) to minimise contamination.

27. Describe any constraints or opportunities that affected performance under this KPI

Opportunities:

With the implementation of Work Facebook, it is much easier to learn and adapt new initiatives globally.

Goal 3: Product Stewardship

KPI 7: % signatories showing other Product Stewardship outcomes.

Rating

5

Rating Comments

Your involvement with RedCycle is to be commended- further detail around this, such as how you promote the program to consumers- would be beneficial here. Well done on recording data around energy and efficiency measures carried out at sites over reporting period. Your continued dedication to community initiatives is also evident.

KPI 8: Reductions in packaging items in the litter stream.

28. Please indicate your progress this year towards achieving your annual targets and milestones for KPI 8

	Target: According to your Action Plan, what did you set out to do?	Actual: What did you achieve?
1.	Improvement environmental labelling information on Campbell's product by adopting on-pack labelling process already in place for biscuit products.	Arnott's keeps in contact with PREP and Planet Ark to learn about their recycling label program. At the same time, packaging technologist seek information from APC regarding standardised label on pack; where the technologist was informed that there will be a program through APC in the future. Hence the delay on modifying current logos on pack (there is already logos on pack).

29. Describe any constraints or opportunities that affected performance under this KPI

In Campbell's 2014 report, Campbell's has shared that we will implement an online electronic artwork approval process system. This initiative was applauded by our World Head Quarter where this program was expanded to global scale; which delayed the implementation to Jan 2017. Will only be able to report regarding the improvement in 2017 report.

As only 1 site participating in REDcycle program, and with limited recycling sites available in whole Australia, Arnott's is currently holding off on putting REDcycle logo on flexible packaging. To help consumers, this was questioned by packaging technologists, and is currently under review. Any progress will be reported in 2017 report.

Goal 3: Product Stewardship

KPI 8: Reductions in packaging items in the litter stream.

Rating

3

Rating Comments

We encourage you to keep an eye on progress regarding a consistent recycling logo scheme for your packaging. As you well know, there are many other ways that you can address litter minimisation in the meantime, such as:

- Coordinating champions at each site to pay attention to litter hot-spots around site such as cigarette break areas or waste docks.
- Facilitating staff involvement in Business Clean Up Day once a year. See more details at their website: <http://www.cleanupaustaliaday.org.au/about/about-the-event/clean-up-for-business>

Your Experiences

This section lets you share with us any achievements, good news stories and areas of difficulties in making progress against your plan and the Covenant goals and KPIs.

30. Key achievements or good news stories

In 2016, Campbell Arnott's continued on it's good work in the corporate responsibility area; here are some of the key high lights in 2016 report:

1. Arnott's Foundation raised net of \$675k in 2016
2. Saved 73.73T on steel with can material reduction
3. Arnott's saved 223.18T of packaging in 2016 with packaging size reduction of 10 multipack skus
4. Continuous trialling for new packaging line where will improve pallet efficiency by 250% from 2nd half of 2017 of 27 multipack skus.
5. Improved recycled content rate from 95.19% to 96.17% for corrugated cardboards
6. Continuing in participating in REDcycle program

31. Areas of difficulties in making progress against your plan, Covenant goals or KPIs

1. Cost in trialling
2. Competing with priorities and resources
3. Long validation process
4. Customer requests of using higher board grade or extra colour prints
5. Inadequate technology where difficult to use recycled content packaging material for primary packaging packs

Summary of ratings:

KPI	2017 Rating (0-5)	2016 comparison	2015 comparison	2014 comparison	2013 comparison	2012 comparison
KPI 1	4	4	4	5	4	5
KPI 3	5	5	4	5	2	5
KPI 4	3	3	4	4	2	3
KPI 6	5	5	4	5	4	4
KPI 7	5	4	3	5	4	3
KPI 8	3	3	3	4	2	4
Average rating for this signatory	4.2	4.0	3.7	4.7	3.0	4.0
<i>Average rating across all signatories</i>	<i>TBC</i>	<i>3.2</i>	<i>3.0</i>	<i>2.8</i>	<i>2.9</i>	<i>2.8</i>

This company has made great progress in the areas of landfill minimisation and supply chain collaboration. The focus areas of the APC's new Strategic plan are very much in line with these concepts, and also emphasise industry leadership and resource efficiency. We encourage you to continue to develop strong baseline data in respect to achievements made to date, so that outcomes and future improvements can be easily reported. We also look forward to seeing progress on the exciting initiatives planned such as greater use of FSC board, and industry collaboration regarding consistent recycling symbols/labelling. To find out information on the future direction of the APC, you may wish to take part in the upcoming Capacity Building Sessions <http://www.packagingcovenant.org.au/pages/action-plans-and-annual-reports.html>