

British American Tobacco Australia Ltd

British American Tobacco Australia

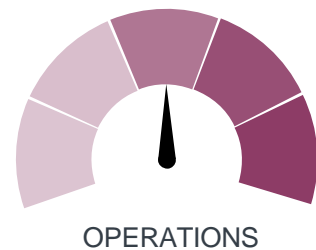
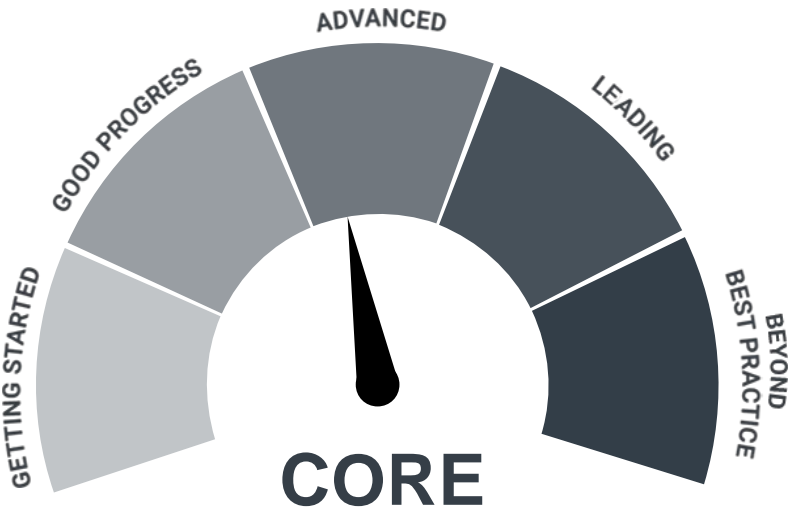
Website
www.bata.com.au

Primary Industry Sector
Tobacco

Packaging Supply Chain Position
Importer / Supplier

ABN
96 000 151 100

DASHBOARD



SUMMARY

For the 2020 APCO Annual Report, *British American Tobacco Australia* has achieved Level 3 (Advanced) for the core criteria. All seven core criteria were answered and two out of six recommended criteria were answered.

INDICATORS

This Annual Report shows the organisation's performance against the APCO Packaging Sustainability Framework.

CORE: All core criteria.

RECOMMENDED: All answered recommended criteria.

TOTAL: Sum of all core and answered recommended criteria.

LEADERSHIP: All criteria that defines leadership on packaging sustainability.

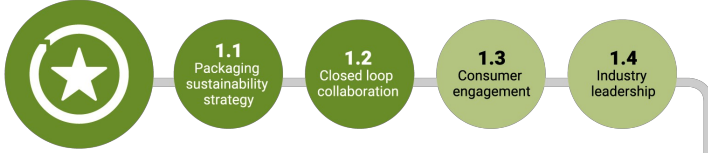
OUTCOMES: All criteria that lead to direct improvement in packaging sustainability.

OPERATIONS: All criteria related to business operations for improving packaging sustainability.

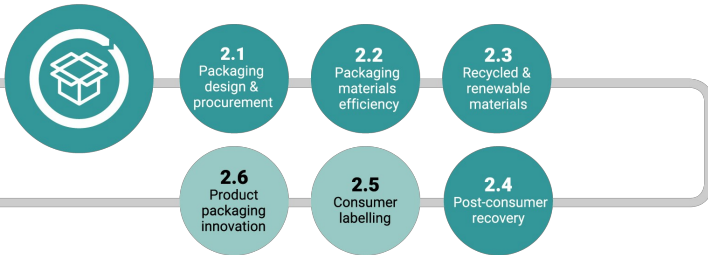
REPORTING FRAMEWORK

OVERVIEW

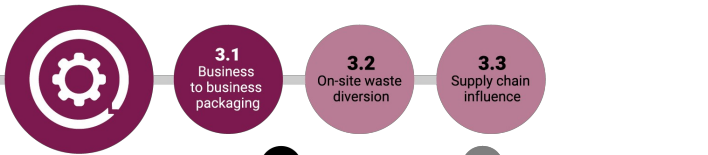
1. LEADERSHIP



2. OUTCOMES



3. OPERATIONS



X.X Core criteria

X.X Recommended criteria

LEVEL DESCRIPTION

LEVEL 0

NOT YET STARTED

The organisation does not have a plan and has not started investigating options for action under the relevant criteria.

LEVEL 1

GETTING STARTED

The organisation is developing a plan or is investigating options for action under that criteria (e.g. agreeing on goals and targets).

LEVEL 2

GOOD PROGRESS

There are documented procedures in place (e.g. to implement the Sustainable Packaging Guidelines) or some progress has been achieved, data tracking shows up to 20% of products have achieved the desired outcome.

LEVEL 3

ADVANCED

The organisation has specific, measurable targets in place, or data tracking shows that >20% of products have achieved the desired outcome.

LEVEL 4

LEADING

The organisation has more rigorous procedures in place, or an ambitious target has been met e.g. >50% of products have achieved the desired outcome.

LEVEL 5

BEYOND BEST PRACTICE

The organisation has more rigorous procedures in place, or an ambitious target has been met e.g. 100% of products have achieved the desired outcome.

ABOUT THE APCO FRAMEWORK

The APCO Packaging Sustainability Framework (the Framework) aims to provide a consistent and transparent framework for assessing and tracking packaging sustainability across organisations. The Framework consists of thirteen independent criteria that belong to three separate categories. These categories are (i) Leadership, (ii) Packaging Outcomes and (iii) Operations. The diagram above shows the different criteria included within each of these three categories.

There are two types of criteria within the Framework:

- **Core criteria** are mandatory and must be answered by all Members when completing the Annual Reporting Tool.
- **Recommended criteria** are not mandatory, but Members are encouraged to complete as many recommended criteria as possible.

Each criteria is divided into five levels of performance ranging from 'getting started' to 'beyond best practice'. The diagram above illustrates the key differences between performance levels. Please see www.packagingcovenant.org.au for more information.

ABOUT APCO

APCO is a co-regulatory, not for profit organisation that partners with government and industry to reduce the harmful impact of packaging on the Australian environment. APCO promotes sustainable design and recycling initiatives, waste to landfill reduction activities and circular economy projects. APCO Annual Reports are a key Membership obligation, providing Member organisations with a transparent method to track their packaging sustainability performance. Annual reporting also supplies APCO with valuable data and information to identify industry trends and advancements.

FREE FORM QUESTIONS

Describe initiatives, processes or practices that you have implemented during your chosen reporting period that have improved packaging sustainability.

BATA remains an enthusiastic signatory to the Australian Packaging Covenant.

During 2019, it was found that 201 SKUs are considered optimised for renewable and recycled content at the current time, as all cigarette packs contain renewable paper and cardboard, and all shippers into Australia contain 80-81% recycled content. A number of initiatives to reduce board and polypropylene weight and/or volume were further commenced at our Regional Product Centre.

Additionally, in 2019, we:

1. Maintained our commitment to buy back recycled material through the purchase of recycled content stationery and other products, with a total of around 2.2 tonnes purchased;
2. Continued our best practice recycling systems for commingled containers, paper and cardboard and food waste. We achieved a 54% on-site solid recycling rate in our offices, diverting 29.6 tonnes of material from landfill;
3. Contributed to the QANTAS Future Planet carbon offset program through our logistics partner to reduce the greenhouse use impact of freight;
4. Continued to be an active member of the voluntary Tobacco Industry Product Stewardship Group, which, together with the other major tobacco companies, works to tackle the social and environmental impacts of tobacco product litter; and
5. Engaged with Keep Australia Beautiful to understand litter trends, and support consumer education that will be introduced in 2020.

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

Whilst BATA is a committed signatory to the Australian Packaging Covenant, there are two limiting factors which impede our ability to influence packaging design:

1. The Tobacco Plain Packaging Act 2011 (Cth) – prescribes the design and format of all tobacco packaging sold within Australia, including the packaging materials to be used and restrictions for on-pack messaging.
2. Global packaging decisions – many packaging decisions are made above market by our parent company including packaging supplier selection, procurement and pack specifications. Furthermore, some brand portfolios are managed globally and therefore packaging specifications are pre-determined above market. As a result, minimal packaging changes are driven or influenced locally. It is noted that whilst we have the ability to drive some small packaging projects locally, we have limited ability to influence decisions managed above market at the regional or global level.

In addition, BATA's ability to communicate directly to consumers is restricted by the Tobacco Advertising Prohibition Act 1992 (Cth) (TAP Act). As a result, BATA is prohibited from communicating directly with consumers or via advertising, social media, or events. This therefore limits our ability to engage consumers regarding recycling or sustainability initiatives.

CASE STUDIES

Case Study

In 2019, within BATA's head office operations, efforts were made to reduce single use plastic and packaging waste.

At our on-site café, plastic straws were replaced with paper straws, and hot beverages are served in reusable mugs (at a discount of 20 cents), rather than disposable coffee cups as the default.

In addition, to reduce the use of bottled water, staff were provided with personalised reusable drink bottles, which can be refilled at our drinking stations of chilled and filtered water.

COMMITMENTS

The Action Plan detailed below, is a public commitment to advancing packaging sustainability outcomes as a Member of APCO. Members are encouraged to have a comprehensive internal plan with the steps they will take to fulfill their commitments.

Criteria 1.1 PACKAGING SUSTAINABILITY STRATEGY (core)

4. Leading

Your organisation is committed to: Having targets that are specific, measureable and time-based.

Criteria 1.2 CLOSED-LOOP COLLABORATION (core)

1. Getting started

Your organisation is committed to: Investigating options to join or start a collaborative initiative to address barriers to the recovery of waste packaging.

Criteria 1.3 CONSUMER ENGAGEMENT (recommended)

Not relevant

Your organisation has indicated that this criteria is not relevant.

COMMITMENTS

Criteria 1.4 INDUSTRY LEADERSHIP (recommended)

4. Leading

Your organisation is committed to: (1) Investigating collaborative or industry leadership actions to improve packaging sustainability. (2) Being involved in a program or initiative to improve packaging sustainability through collaboration and leadership. (3) Having at least one leadership initiative externally recognised through an award or other formal process. (4) Actively engaging with peers and/or the community to promote packaging sustainability, and sharing sustainability knowledge for non-commercial purposes.

Criteria 2.1 PACKAGING DESIGN & PROCUREMENT (core)

3. Advanced

Your organisation is committed to: Reviewing at least 20% of packaging with reference to the Sustainable Packaging Guidelines (SPG) or equivalent.

Criteria 2.2 PACKAGING MATERIALS EFFICIENCY (core)

3. Advanced

Your organisation is committed to: Reducing packaging weight or optimising packaging material efficiency in more than 20% of products.

Criteria 2.3 RECYCLED & RENEWABLE MATERIALS (core)

4. Leading

Your organisation is committed to: Incorporating or optimising recycled and/or renewable content in more than 50% of products.

Criteria 2.4 POST-CONSUMER RECOVERY (core)

1. Getting started

Your organisation is committed to: Investigating opportunities to improve recoverability in packaging.

Criteria 2.5 CONSUMER LABELLING (recommended)

Not relevant

Your organisation has indicated that this criteria is not relevant.

COMMITMENTS

Criteria 2.6 PRODUCT-PACKAGING INNOVATION (recommended)

Not relevant

Your organisation has indicated that this criteria is not relevant.

Criteria 3.1 BUSINESS-TO-BUSINESS PACKAGING (core)

1. Getting started

Your organisation is committed to: Developing a plan or investigating opportunities to reduce the amount of single-use business-to-business (B2B) packaging used internally or sent to customers.

Criteria 3.2 ON-SITE WASTE DIVERSION (recommended)

4. Leading

Your organisation is committed to: Investigating opportunities to divert more than 50% of solid waste generated at facilities (factories, warehouses, offices, retail stores etc.) from landfill.

Criteria 3.3 SUPPLY CHAIN INFLUENCE (recommended)

Not relevant

Your organisation has indicated that this criteria is not relevant.

SIGN OFF

Jason Murphy

Area Director

Tuesday, 19 May 2020

DISCLAIMER

The copyright owners of this report are The Australian Packaging Covenant Organisation (APCO) and the University of Technology Sydney (UTS). The data contained within this report is owned exclusively by APCO. This report (including all text, images and attachments) has been prepared for the exclusive use and benefit of the copyright holders and each addressee(s) only. The copyright owners give their consent and grant a limited licence to each addressee(s) for the use of this report, in its entirety, to be reproduced, distributed and communicated to third parties or made public at the discretion of the addressee(s). All other rights are strictly reserved. The addressee(s) is not permitted to reproduce, distribute or communicate separate subsections, images or individual pages of this report. The report can only be reproduced, distributed or communicated in full. The information contained in this report does not constitute investment or business advice and addressee(s) should not rely on the information for such purposes. All addressee(s) should obtain their own independent advice before making any financial decisions based on the information included in this report. 2017-2020 ©.

Suite 1102, Level 11, 55 Clarence Street, Sydney, NSW, 2000 ☎ (02) 8381 3700 ✉ apco@packagingcovenant.org.au