

12 November 2025

Soft Plastic Stewardship Australia Limited (SPSA) and Australian Packaging Covenant Organisation (APCO)

Letter of intent for strategic partnership

This letter of intent (**LOI**) sets out the preliminary understanding between **SPSA**, Australia's new producer responsibility organisation for recycling of soft plastic packaging, and **APCO**, the administrator of the national co-regulatory framework for packaging. This LOI outlines the collaboration and how APCO will provide support for the SPSA-led voluntary soft plastic product stewardship scheme (**Scheme**). Subject to ACCC authorisation, this collaboration aims to create industry efficiencies by bringing together complementary elements of the Australian Packaging Covenant, including its industry reach and strong focus on packaging design, in support of SPSA's focus on development of national capability for collection, recycling and end market demand, working toward a full life cycle approach and establishing a circular economy that turns soft plastics into a valuable resource.

1. Purpose

The purpose of this LOI is to outline the general terms and intent of both parties to negotiate and finalise a formal agreement (**Final Agreement**). Any Final Agreement is subject to ACCC authorisation and any other regulatory approvals, and respective Board approvals where required.

2. Scope of proposed collaboration

The parties intend that the Final Agreement will include provisions which address how the parties will work together in the following areas:

Collaboration, design and regulatory settings

- i. SPSA and APCO sharing market analysis, modelling, research and aggregated packaging placed on market data to inform circularity and recycling outcomes.
- ii. Collaboration to strengthen the integrity of industry-led packaging stewardship initiatives. This includes SPSA contributing to APCO's design of an assurance and accreditation framework to support this.
- iii. Collaboration on government and stakeholder relations to advocate for an effective national regulatory framework potentially arising from reforms to the existing national settings.

Operational activities

- iv. Mutual recruitment activities to grow participation and encourage our respective members to join both the SPSA led Scheme and APCO to strengthen Scheme outcomes.
- v. Financial administration activities focused on functions by APCO to invoice its members and voluntary Scheme participants in a way that drives efficiencies and eliminates duplication.
- vi. Systems and confidential data capture functions focused on managing data associated with soft plastics packaging placed on the market by APCO members, to support and streamline Scheme reporting for participants.

- vii. Audit and assurance activities to verify and validate Scheme reporting data necessary for an equitable, robust and transparent Scheme.

Communications, marketing and education

- viii. Collaborate on communications to clarify the complementary roles in the Scheme of APCO and SPSA in engagement with APCO members and broader stakeholders, with all communications and marketing activities in relation to partnership endeavours mutually agreed before release.
- ix. Education and marketing collateral to encourage APCO membership and Scheme participation and community behaviour change, including leveraging existing initiatives such as the Australasian Recycling Label.

The parties may also work on any other activities as agreed in writing from time to time.

3. Non-binding LOI and governing law

This LOI is not and is not intended to be legally binding, except for Section 4 (Confidentiality) which becomes immediately legally binding on the parties on execution of this document. This document is governed by and is to be construed under the Law in force in New South Wales.

4. Confidentiality

The terms of the Mutual Non-Disclosure Agreement dated 23 September 2025 between APCO and SPSA shall govern the disclosure and use of confidential information disclosed in relation to this LOI.

5. Negotiation of Final Agreement

The parties agree to negotiate in good faith and use their respective best endeavours to conclude the Final Agreement by 4pm on 30 November 2025 (**End Time**), subject to the conditions in section 1. This LOI will end on the date the Final Agreement is executed or at the End Time, whichever is earlier.

Executed for and on behalf of SPSA:



Chris Foley

Print Name

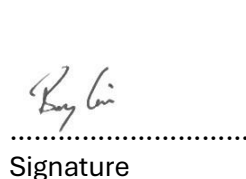
CEO

12 November 2025

Title

Date

Executed for and on behalf of APCO:



Barry Cosier

Print Name

CEO

12 November 2025

Title

Date