

Annual Report and Action Plan

Company Name: **BUNZL AUSTRALASIA LIMITED**

Trading As: **BUNZL AUSTRALASIA LIMITED**

ABN: **18004611090**

About APCO

Australian Packaging Covenant Organisation (APCO) is a co-regulatory not-for-profit organisation leading the development of a circular economy for packaging in Australia. APCO's vision is a packaging value chain that collaborates to keep packaging materials out of landfill and retains the maximum value of the materials, energy and labour within the local economy.

Each year, APCO Brand Owner Members are required to submit an APCO Annual Report and an APCO Action Plan. This document is the Annual Report and Action Plan output for the organisation listed above. This document provides the overall performance level of the organisation, as well as any commitments they have made to work towards on their packaging sustainability journey. This document may also include additional information provided by the Member in their report.

Overall Performance **Good Progress**

The chart below indicates the overall performance level of this organisation listed above in the 2023 APCO Annual Report. The organisation's reporting period was **January, 2022 - December, 2022**



Understanding APCO Annual Reporting performance levels:

- 1 Getting Started:** You are at the start of your packaging sustainability journey.
- 2 Good Progress:** You have made some first steps on your packaging sustainability journey.
- 3 Advanced:** You have taken tangible action on your packaging sustainability journey.
- 4 Leading:** You have made significant progress on your packaging sustainability journey.
- 5 Beyond Best Practice:** You have received the highest performance level and have made significant progress on your packaging sustainability journey.

Contact

A: Suite 1102, Level 11, 55 Clarence Street, Sydney, NSW, 2000
E: apco@apco.org.au

Additional Information

The information below indicates additional information that the organisation included in their APCO Annual Report.

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

Leveraging other sustainability improvements

During the reporting year, we have focused on improvements to packaging beyond increasing recyclability. This included changes to packaging formats that increased unboxing ease as well as reduced the space required for shipping and freight. Key examples include pallet wrap and washroom products, where primary and secondary packaging was reduced, allowing for more efficient freight as well as less packaging overall.

Prioritising sustainable packaging improvements

Given Bunzl's large number of SKUs, packaging improvements need to be prioritised. High level range reviews enabled our teams to prioritise packaging improvements that could potentially deliver the most meaningful impact. For example, the washroom category identified seven SKUs whereby improvements were relatively straightforward and due to their volume would result in the most significant impact reduction.

Working with suppliers

Discussions about improving packaging sustainability is often a two-way conversation with our suppliers. Rather than dictating specific packaging changes our best results have been through collaboration between our procurement team and partners. Through conversation we have been able to determine what's possible and which improvements are worthwhile. We have also built upon our strategic supplier relationships to maximise improvement and in some cases, sustainable packaging has been included in supplier agreements.

Common packaging styles

To accelerate the transition to more sustainable packaging formats, common packaging styles were identified and sustainable alternatives, including labelling instructions, were provided. This has resulted in quicker turnaround for packaging design teams who can move straight to implementation of an improved design without delay. An example is the secondary cardboard carton packaging. Rather than considering whether material composition and labelling each packaging review all this information was already available.

Please use the space below to provide examples or case studies of exemplary packaging sustainability conducted by your organisation.

During 2022 we gained momentum through working with our customers to improve product and packaging sustainability. There are several case studies we would like to share.

Reducing pallet wrap packaging and the flow on positive impacts

Bunzl Australia and New Zealand is a large business-to-business supplier of pallet wrap. With interest from key customers, one pallet wrap product had its packaging significantly altered resulting in a wide range of sustainability benefits. This centres on the sustainability principle of reduction.

The primary cardboard carton was replaced with a cardboard sheet, significantly reducing the amount of material required to distribute the product. This also meant that the rolls of pallet wrap packed together better, reducing the amount of space required for each pallet. This came with significant transport improvements increasing the number of rolls that fit in a container by 25% and reducing the total number of

containers by approximately 20 per year.

- Less raw material used in packaging
- Less packaging to dispose of after use
- Less freight and transport

Improving workwear packaging sustainability

Bunzl Safety and Lifting's workwear range is undergoing significant packaging changes. As there is a large range, changes have been prioritised by brand.

- Mack packaging changed from plastic poly bags to cardboard pack bands. Multiple swing tags were also consolidated into one which minimised ink and paper usage. Appropriate labelling, sometimes with specific instructions, was put on all components to increase the likelihood of recycling.
- Frontier, a range of hi-vis vests were identified as being suitable to be made from recycled material. The first order of vests used 529 kg of GRS certified recycled plastic.
- Similarly, upcoming changes to the WS Workwear range will also use recycled content in the product.
- Boomerang will be reviewed this year.

This process of prioritisation has been used to model how to approach large and diverse Bunzl product ranges.

Washroom packaging improvements

Bunzl Australia and New Zealand's washroom category has taken a similar approach by prioritising packaging changes. During 2022 the entire washroom range was reviewed with opportunities for improvement prioritised. Changes to packaging formats has commenced, with material primary and secondary packaging savings being realised already. Changes to facial tissue packaging is estimated to save 2.23 tonnes of cardboard per year. The next action, replacing plastic in tissue boxes with paper to increase recyclability is likely to reduce plastic usage by 1.24 tonnes per year. Other actions following the 2022 review will be implemented throughout 2023.

Single use plastic bans

Bunzl continue to prioritise supporting our customers to meet the State based single-use plastics bans. These bans are increasing in complexity with additional States establishing legislation and existing States adding in additional phases and exemptions. As a large national distributor of items included in the bans, Bunzl have invested significant time and resources into understanding these bans and providing advice to customers and suppliers alike. For example, we supported one large customer who transitioned away from an annual use of 9.5 million pieces of plastic food packaging items, resulting in approximately 30 tonnes of plastic being avoided.

Additionally, we have proactively phased out fragmentable and oxo degradable plastics, and EPS foam meat trays ahead of bans.

Working with recycled content

Bunzl recognises the important part that recycled content plays in the circular economy. Despite the challenges, we have begun to incorporate recycled content, where possible, into our products. Bunzl Safety and Lifting has begun using recycled content for Frontier hi-vis vests and as a portion of the polyester lining in safety gloves and footwear. Interpath is selling sharps containers made from recycled content. Bunzl Australia and New Zealand's Revive range features products that include rPET.

APCO Action Plan Commitments

For each of the Packaging Sustainability Framework criteria listed below, a description is provided along with the commitments made by the organisation in their APCO Action Plan.

Criteria 1:

Governance & Strategy:

This criteria considers actions to integrate packaging sustainability into business strategies.

- Develop a strategy that includes goals (objectives) and targets for packaging sustainability that addresses the Sustainable Packaging Guidelines (SPGs) or equivalent.
- Include a commitment to achieving the 2025 National Packaging Targets in our strategy.
- Have our executive or board of directors review our strategy and have the strategy integrated within our business processes.
- Regularly communicate and promote packaging sustainability objectives and targets within our organisation.
- Regularly engage or communicate with our external stakeholders about the environmental impacts of our packaging.
- Actively participate in initiatives to promote packaging sustainability outside of our organisation.

Criteria 2:

Design & Procurement:

This criteria considers actions taken to ensure that sustainability principles are considered in the design or procurement of both new and existing packaging through use of the Sustainable Packaging Guidelines (SPGs).

- Review 8% of our packaging against the Sustainable Packaging Guidelines (or equivalent).
- Improve the accuracy of our data regarding reviews of packaging using the Sustainable Packaging Guidelines (or equivalent).
- Incorporate the Sustainable Packaging Guidelines (or equivalent) into procurement processes.
- Consider the following Sustainable Packaging Principles in our packaging reviews:
 - Design for recovery
 - Optimise material efficiency
 - Design to reduce product waste
 - Eliminate hazardous materials
 - Use of renewable materials
 - Use recycled materials
 - Design to minimise litter
 - Design for transport efficiency
 - Design for accessibility
 - Provide consumer information on environmental sustainability
- 5% of our packaging to be optimised for material efficiency.
- Improve the accuracy of our data regarding packaging material efficiency.

Criteria 3:

Recycled Content:

This criteria considers actions taken to increase or optimise the amount of recycled material used by your organisation.

- Develop a policy or procedure to buy products and/or packaging made from recycled materials.
- Use recycled content in:
 - Our products
 - Primary packaging that we use to sell our products
 - Secondary packaging that we use to sell our products
 - Tertiary packaging that we use to sell our products
 - Other items which we purchase (e.g. office stationary and suppliers etc.)
- 1% of our packaging to be made using some level of recycled material
- Improve the accuracy of our data regarding use of recycled materials.

Criteria 4:

Recoverability:

This criteria considers actions taken to improve the recovery of packaging at end-of-life and increase use of reusable packaging.

- 10% of our packaging to be designed to have all packaging components be recoverable at end-of-life.
- Improve the accuracy of our data regarding recoverability.
- Use PREP to assess the recyclability of our packaging through kerbside collection in Australia and/or New Zealand.
- Aim to have 20% of our compostable packaging certified to Australian standards.
- Investigate opportunities to use reusable packaging.
- Participate in a close-loop recovery program/alternative collection system.

Criteria 5:

Disposal Labelling:

This criteria considers the extent to which packaging has been labelled to help consumers determine what to do with packaging at end-of-life.

- 50% of our packaging to have on-pack labelling to inform correct disposal.
- Improve the accuracy of our data regarding labelling.

Criteria 6:

On-site Waste:

This criteria considers progress in increasing the amount of on-site solid waste being diverted from landfill.

- Have recycling programs for the following materials:
 - Paper/cardboard
 - Soft plastics
 - Rigid plastics
 - Timber

- Textiles
- Glass
- Metals
- Food organics, secure paper, printer cartridges, batteries.
- Aim for 50% of our on-site waste to be diverted from landfill.
- Improve the accuracy of our data regarding on-site waste.

Criteria 7:

Problematic Materials:

This criteria considers the extent to which organisations are actively phasing out problematic and unnecessary single-use plastic packaging and preventing/reducing litter.

- Help reduce litter by:
 - Conducting regular clean ups
 - Participating in Business Clean Up Day
- Phase-out the following problematic and unnecessary single-use plastic items:
 - Lightweight plastic shopping bags
 - Fragmentable (e.g. oxo-degradable) plastics
 - EPS loose fill packaging
 - Moulded EPS packaging for white/brown goods or electronics
 - Rigid polyvinyl chloride (PVC) packaging
 - Rigid polystyrene (PS) packaging
 - Opaque polyethylene terephthalate (PET) bottles
 - Rigid plastic packaging with carbon black