

APCO Performance Summary

Company Name: **Fonterra Brands (Australia) Pty Ltd**

Trading As:

ABN: **80095181669**

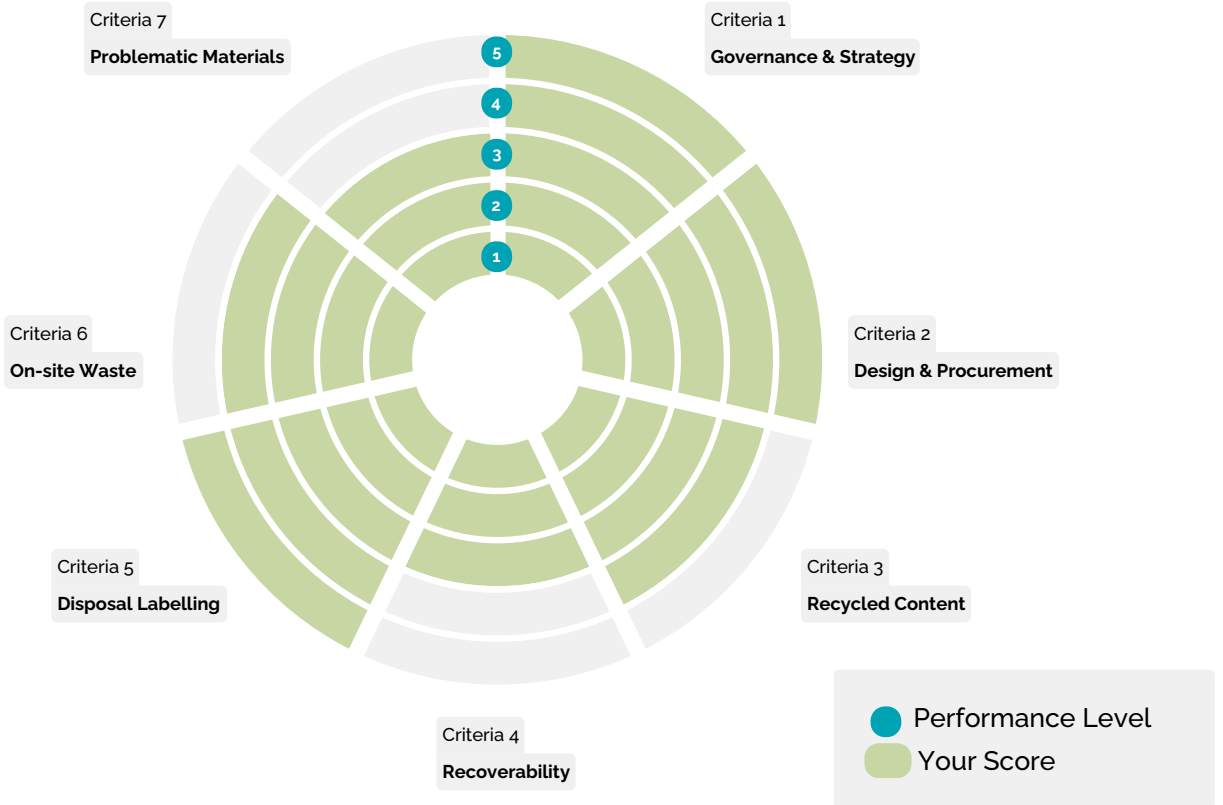
Overall Performance 79% - Leading

The score above and chart below indicate your organisation's overall performance in the 2024 APCO Annual Report. With your chosen reporting period of July, 2022 - June, 2023 you have achieved a **Leading** overall performance level.



Criteria Performance Levels

The chart below indicates your organisation's performance against each of the Packaging Sustainability Framework criteria in the 2024 APCO Annual Report. Each band represents a performance level with the green indicating your level of performance for each.



Contact

About APCO Annual Reporting

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.

Packaging Sustainability Framework criteria

- | | |
|---|---|
| Criteria 1:
Governance & Strategy | This criteria considers actions to integrate packaging sustainability into business strategies. |
| 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). |
| Criteria 3:
Recycled Content | This criteria considers actions taken to increase or optimise the amount of recycled material used by your organisation. |
| Criteria 4:
Recoverability | This criteria considers actions taken to improve the recovery of packaging at end-of-life and increase use of reusable packaging. |
| 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. |
| Criteria 6:
On-site Waste | This criteria considers progress in increasing the amount of on-site solid waste being diverted from landfill. |
| 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. |

APCO Annual Report Criteria Performance & Responses

Provided below are your organisation's responses to the questions within the APCO Annual Report as well as a performance level for each criteria.

Criteria 1:

Governance & Strategy: 5 Beyond Best Practice

- 1 Getting Started
- 2 Good Progress
- 3 Advanced
- 4 Leading
- 5 Beyond Best Practice

Does your organisation have a documented strategy that includes goals (objectives) and targets for packaging sustainability that addresses the Sustainable Packaging Guidelines (SPGs) or equivalent?

Yes No

Does your organisation's strategy include a commitment to achieving the 2025 National Packaging Targets?

Yes No

Is this strategy integrated within your business processes and has it been approved by an executive or board of directors?

Yes No

Do you regularly communicate and promote packaging sustainability objectives and targets within your organisation?

Yes No

Do you regularly engage or communicate with external stakeholders (suppliers, final consumers, community groups etc.) about the environmental impacts of your packaging?

Yes No

Do you actively participate in any other initiatives to promote packaging sustainability outside of your organisation?

Yes No

Supporting Evidence

Fonterra was a considerable contributor to the Australian Dairy Sustainable Packaging Roadmap to 2025 which was developed with APCO. APCO continue to monitor progress on this roadmap. Through the Australian Dairy Industry Sustainability Framework, the industry reports against their promise and commitments to dairy people, the wellbeing of the community, our animals and the environment.

Your full response can be found towards the end of this document.

Criteria 2:

Design & Procurement: 5 Beyond Best Practice

- 1 Getting Started
- 2 Good Progress
- 3 Advanced
- 4 Leading
- 5 Beyond Best Practice

How many of your 24228 Tonnes of packaging have had their packaging reviewed against the Sustainable Packaging Guidelines (or equivalent) in the last 5 years?

24228

Please indicate the accuracy of this response.

High

Do you require your suppliers to use the Sustainable Packaging Guidelines (SPGs) or equivalent for your packaging?

Yes No N/A

Please tell us about any positive outcomes from your packaging reviews.

refer Supporting Evidence

Do you believe applying the SPGs delivers business value to your organisation?

Yes No

Which of the following Sustainable Packaging Principles have been considered in reviews of your organisation's packaging against the Sustainable Packaging Guidelines (SPGs)?

Design for recovery

Yes No

Optimise material efficiency

Yes No

Design to reduce product waste

Yes No

Eliminate hazardous materials

Yes No

Use of renewable materials

Yes No

Use recycled materials

Yes No

Design to minimise litter

Yes No

Design for transport efficiency

Yes No

Design for accessibility

Yes No

Provide consumer information on environmental sustainability

Yes No

How many of the 24228 Tonnes of packaging have packaging that has been optimised for material efficiency in the last 5 years?

24228

Please indicate the accuracy of this response.

High

If yes, please tell us about any material savings you have made.

Fonterra project to remove corrugated board from our range of 20 kg Mozzarella. This is one of our 26 sustainable packaging projects. This project has resulted in a saving of 330 tonnes of board.

Supporting Evidence

Fonterra project to remove corrugated board from part of our range of 20 kg Mozzarella that is secondary processed internally for Shredding. This is one of our 26 sustainable packaging projects. This project has resulted in a saving of 330 tonnes of board.

Our range of Mainland "Lunch on the Go", has had their cardboard sleeves removed, we also changed to Conditionally Recyclable printed top film (peelable), implemented a dieline change to reduce skeletal waste

Your full response can be found towards the end of this document.

Criteria 3:

Recycled Content: 4 Leading



Do you have a policy or procedure to buy products and/or packaging made from recycled materials?

Yes No

Which of the following products that you either purchase or sell contain recycled materials?

- Primary packaging that you use to sell your products
- Secondary packaging that you use to sell your products
- Tertiary Packaging that you use to sell your packaging
- Your products
- Other items which you purchase (e.g. office stationary & supplies, building materials such a bollards etc.)
- None of the above

How many 24228 Tonnes of packaging has at least some packaging that is made from recycled material?

14767

Please indicate the accuracy of this response.

High

If you do not currently use recycled materials in any of your packaging, please indicate why:

- Cannot find a supplier who provides recycled materials
- We cannot use recycled materials in contact with our product
- Cost is prohibitive
- Other (please specify)

Please specify

- None of the above

Supporting Evidence

Fonterra produces food products with a dairy base. Finding suitable, food contact certified food packaging with recycle content is challenging. Fonterra maximizes recycle content in secondary packaging. We engaged heavily on the conditions under which this may be suitable and we have an active project with a supplier of recycled content to validate the suitability of the material to our Food, Safety and Quality

Your full response can be found towards the end of this document.

Criteria 4:

Recoverability: 3 Advanced



How many of your 24228 Tonnes of packaging have all packaging components that are recoverable (i.e. recyclable or compostable) at end-of-life?

21731

Please indicate the accuracy of this response.

High

How many of your 24228 Tonnes of packaging have separable components with mixed recoverability at end-of-life? (e.g. a jar that is recyclable with a lid that is not recyclable)

0

Please indicate the accuracy of this response.

Medium

How many of your 24228 Tonnes of packaging have been assessed in the Packaging Recyclability Evaluation Portal (PREP)?

23259

If you use compostable packaging, please indicate the type(s) of compostable certification (if any):

- Certified home compostable (AS5810)?
- Certified industrial compostable (AS4736)?
- Certified compostable to another certification (i.e. not AS5810 or AS4736)?
- Compostable (not certified)?
- None of the above

How many of your 24228 Tonnes of packaging are not recoverable at end-of-life and must go to landfill? (i.e. not recyclable or compostable)

2497

Have you investigated if there are any opportunities to use reusable packaging?

Yes No

If yes, how many of your 24228 Tonnes of packaging have packaging for which all components are reusable?

0

Please give an indication on the accuracy of this response.

Medium

Which of the following reusable business to business items did your organisation utilise during the previous 12 month period?

- Pallets
- Crates
- Drums
- Intermediate Bulk Containers (IBCs)
- Other (please specify)

Please specify

Plastic slip sheets, corrugated octobins and pallet boards.

We have an active project to evaluate the possibility of a refill pack for cheese slices in clamshells. This is being worked through with the plant and the consumer sales team.

- None of the above

Tick all that apply - Was this reused:

Internally (between your organisation's sites & facilities)?

Externally (with other organisations such as suppliers or customers)?

Pallets	<input checked="" type="radio"/> Internal	<input checked="" type="radio"/> External
Crates	<input type="radio"/> Internal	<input type="radio"/> External
Drums	<input checked="" type="radio"/> Internal	<input checked="" type="radio"/> External
Intermediate Bulk Containers (IBCs)	<input checked="" type="radio"/> Internal	<input checked="" type="radio"/> External
Other (specified above)	<input checked="" type="radio"/> Internal	<input checked="" type="radio"/> External

Does your organisation participate in any of the following closed-loop recovery programs/alternative collection systems for your packaging?

- Big Bag Recovery
- Terracycle
- Container Deposit Scheme (CDS)
- DrumMUSTER
- Other (please specify)

Please specify

Steel drum recovery via local recyclers. Pre-consumer soft plastic recovery (plant waste) via a contract with APR Recycling.

- N/A (All our packaging is recovered through mainstream recovery systems)
- None of the above

Supporting Evidence

Criteria 5:

Disposal Labelling: 5 Beyond Best Practice

1 Getting Started | 2 Good Progress | 3 Advanced | 4 Leading | 5 Beyond Best Practice

How many of your 24228 Tonnes of packaging have labelling on-pack to inform the consumer of how to correctly dispose of the packaging?

23501

Please indicate the accuracy of this response.

High

Which of the following labels does your company presently use?

- Australasian Recycling Label
- Mobius Loop/Recycling symbol
- Tidy man
- Written instructions
- Other (please specify)

Please specify

- None of the above

Supporting Evidence

Fonterra has a wide range of products that are sold in retail, business to business, industrial ingredients. Our packaging is not separated along these sales supply lines as they may be used in more than one. The ARL is only applied to retail skus.

Criteria 6:

On-site Waste: 4 Leading



Tick which of the following packaging materials you have on-site recycling programs for:

- Paper/cardboard
- Soft plastics
- Rigid plastics
- Timber
- Textiles
- Glass
- Metals
- Other (please specify)

Please specify

- All materials have recycling programs
- None of the above

Over the reporting period, how much of the waste your organisation generated on-site was diverted from landfill (was recycled, composted, reused or sent for energy recovery)?

72%

Please indicate the accuracy of this response.

High

Which of the following facilities are included in the above waste data?

- Offices
- Warehouses
- Stores

- Manufacturing Facilities
- Other (please specify)

Please specify

- None of the above

Supporting Evidence

Fonterra has a number of different waste collection partners which include general businesses such as Cleanaway and Speedie Waste, collection specialists - Opal (paper) and APR (plastics). The data is from their reports.

Criteria 7:

Problematic Materials: 3 Advanced



Over the reporting period, which of the following activities did you undertake to help reduce the impact of litter?

- Conduct regular clean ups
- Participate in Business Clean Up Day
- Sponsor a clean up day
- Undertook a litter education campaign
- Other (please specify)

Please specify

- None of the above

Please indicate which of the following problematic, unnecessary and single-use plastic packaging formats or materials your organisation has used over the last five years.

- Lightweight plastic shopping bags
- Fragmentable (e.g. oxo-degradable) plastics
- Expanded polystyrene (EPS) packaging for food and beverage service or retail fresh produce
- 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
- None of the above

Please indicate which of the following problematic, unnecessary or single-use plastic packaging formats or materials your organisation is actively working to phase out?

- Lightweight plastic shopping bags
- Fragmentable (e.g. oxo-degradable) plastics
- Expanded polystyrene (EPS) packaging for food and beverage service or retail fresh produce
- 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
- None of the above

Have you successfully phased out any of the above packaging formats or materials in the last 5 years?

- Lightweight plastic shopping bags
- Fragmentable (e.g. oxo-degradable) plastics
- Expanded polystyrene (EPS) packaging for food and beverage service or retail fresh produce
- 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
- None of the above

Supporting Evidence

We have successfully phased out rigid packaging with carbon black in the last 5 years and changed to "natural" coloured packaging.
Working towards replacing PVC fill and seal trays. This involves significant equipment changes and capital expenditure.

Additional Information

- No additional information

Please use the space below to provide your feedback on your experience with this Annual Report

Reporting on tonnage for each section is very labour intensive. Number of SKUs would be simpler and more meaningful.

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

Fonterra are a Foundation Supporter of the AFGC NPRS trials and that we have provided advocacy to APCO on the SUPs framework and Recycled Content Traceability standard.

We will not launch a new pack format now unless we can achieve Recyclable or Conditionally recyclable status. This is a rule we have in place and we have a decision tree to support this. For all existing pack formats that are non recyclable we have a project in place to address by 2025 deadline. We know the to

Your full response can be found towards the end of this document.

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

Access to validated recycle content for food contact packaging.

Please use the space below to provide examples or case studies of exemplary packaging sustainability conducted by your organisation. The information provided in the boxes may be used directly in your public facing Annual Report and Action Plan. Submitted case studies might be used by APCO in the future to support other Members in achieving packaging sustainability.

Soft Plastics material changes, sourcing a Sustainable Butter Pat wrap (foil and parchment replacements) and PVC removal comprise the majority of our Australian projects. 26 projects in place and resourced by our business.

Fonterra was a considerable contributor to the Australian Dairy Sustainable Packaging Roadmap to 2025 which was developed with APCO.

Your full response can be found towards the end of this document.

Full Open Responses

Criteria 1 - Supporting Evidence

Fonterra was a considerable contributor to the Australian Dairy Sustainable Packaging Roadmap to 2025 which was developed with APCO. APCO continue to monitor progress on this roadmap.

Through the Australian Dairy Industry Sustainability Framework, the industry reports against their promise and commitments to dairy people, the wellbeing of the community, our animals and the environment.

The ambition in the whole-of-industry Framework is aligned with the United Nations Sustainable Development Goals, the global blueprint to achieve a better and more sustainable future for all.

Criteria 2 - Supporting Evidence

Fonterra project to remove corrugated board from part of our range of 20 kg Mozzarella that is secondary processed internally for Shredding. This is one of our 26 sustainable packaging projects. This project has resulted in a saving of 330 tonnes of board.

Our range of Mainland "Lunch on the Go", has had their cardboard sleeves removed, we also changed to Conditionally Recyclable printed top film (peelable), implemented a dieline change to reduce skeletal waste and changed from a PET/PE laminated tray to a recyclable PET tray. Along with this we increased the number of units per shipper to increase transport efficiency, decrease board usage and increase pallet efficiency.

We will not launch a new pack format, unless we can achieve Recyclable or Conditionally Recyclable status or a project to address is in place. For all existing pack formats that are non-recyclable we have a project in place to address by 2025.

Criteria 3 - Supporting Evidence

Fonterra produces food products with a dairy base. Finding suitable, food contact certified food packaging with recycle content is challenging. Fonterra maximizes recycle content in secondary packaging. We engaged heavily on the conditions under which this may be suitable and we have an active project with a

supplier of recycled content to validate the suitability of the material to our Food, Safety and Quality standards. We continue to progress as part of the Australian Dairy Sustainable Packaging Roadmap which we did in conjunction with APCO.

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

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We will not launch a new pack format now unless we can achieve Recyclable or Conditionally recyclable status. This is a rule we have in place and we have a decision tree to support this. For all existing pack formats that are non recyclable we have a project in place to address by 2025 deadline. We know the to achieve this status and are not developing anything that doesn't – considered in NPD project scoping. Soft Plastics and PVC removal comprise the majority of our Australian projects.

Additional Information - Please use the space below to provide examples or case studies of exemplary packaging sustainability conducted by your organisation. The information provided in the boxes may be used directly in your public facing Annual Report and Action Plan. Submitted case studies might be used by APCO in the future to support other Members in achieving packaging sustainability.

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The ambition in the whole-of-industry Framework is aligned with the United Nations Sustainable Development Goals, the global blueprint to achieve a better and more sustainable future for all.

Fonterra is also a member of the APCO NPTI working group and Recycle Content Label Program Working group.