



## Signatory Name: Asahi Beverages

*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

We have a documented procedure for new product development including packaging design.

The Asahi Beverages Environment Policy includes a commitment to collaborating with other stakeholder groups to promote environmentally sustainable practices.

Both the New Product Development Procedure and Sustainable Sourcing process are presently under review.

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.	Innovate and design in alignment with the Sustainable Packaging Guidelines (where practical)	This is an ongoing activity as all new products follow the New Product Development stage and gate process. The sustainability criteria is currently under review as is the packaging stewardship procedure.
2.	Continue to investigate light-weighting opportunities in primary and secondary packaging where possible	<p>We continue to review, identify and progress opportunities which include:</p> <ul style="list-style-type: none"> <li>Completed light weighting of water bottle closures by 20% (commenced in 2015).</li> <li>Completed light weighting of CSD bottle closures by 22% (commenced in 2015).</li> <li>Transition to R flute project completed reducing the use of cardboard as well as, further optimising bundles per pallet configurations increasing delivery efficiencies. This was implemented at most sites for water, CSD and some alcohol products. Further trials and implementation planned for 2017.</li> <li>Reduced the gauge of shrink film for 600ml x 24 water delivering a 13% reduction in Quarter 2, 2016 with further reductions to be trialed in 2017.</li> <li>Continued to light weight can ends to CDLE can end which was implemented in Half 1 2016.</li> <li>Completed the introduction of a light weight 750mL Schweppes glass bottle during 2016, decreasing weight by 22%.</li> </ul>

3.	<p>To continue to optimise packaging supply to use resources efficiently and reduce environmental impacts.</p> <p>This includes vertical integration of primary packaging and manufacturing closer to use.</p>	<p>We continue to focus on a vertical integration strategy enabling lighter weight bottles, reductions in energy to produce and reductions in transport requirements.</p> <p>Blow-fill manufacture complete at Wulkuraka, with installation underway at Huntingwood.</p> <p>The focus over the next three years will be in minimising tertiary and transport packaging as well as the use of returnable packaging for preforms and caps.</p>
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**14. Describe any constraints or opportunities that affected performance under this KPI**

The business continues to undertake significant integration with the creation of Asahi Beverages as the new corporate entity encompassing Schweppes Australia and other recently acquired businesses across Australia and New Zealand.

**Goal 1: Design**

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

Rating

3

Rating Comments

It is great that you have expressed some of the outcomes your review process has achieved, in terms of improvements you have made as a result of the reviews. Even if opportunities were not identified, we recommend that you express what the barriers or constraints were.

It is commendable that your company is collecting data from these reviews, and if you haven't already done so you may consider storing your data on a secure, cloud based system for ease of access.

To gain a deeper understanding of best practice outcomes in this area, you may like to watch this video on Driving and Embedding Change within an organisation; <https://www.youtube.com/watch?v=kKxgXSNrzFs>

It is noted that 0% of packaging was reviewed in the reporting period.

## 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.	Implement improvements to the reduction, on-site collection and recycling collection facilities for used packaging	<p>Nationally led, all sites continue to implement comprehensive waste management and recycling programs. Waste management has been integrated into our business reporting system.</p> <p>The reduction of waste to landfill continues to be a business KPI, with the 2016 target exceeded by 4.1% .</p> <p>Our waste to landfill reduction program continues with:</p> <ul style="list-style-type: none"><li>• Participation in the NSW government funded Industrial Ecology program at both Huntingwood and Albury to identify opportunities to divert waste to landfill.</li><li>• Feasibility assessment into the use of reusable freight containers used for the transport of pre-forms and caps.</li><li>• Waste mapping activities at Tullamarine and Welshpool to help identify opportunities to eliminate the generation of manufacturing waste.</li></ul>

2.	To develop and deploy the Asahi Beverages Environmental Management system and certify against 14001:2015.	<p>We continues to develop and improve our Environmental Management Systems, with five manufacturing sites currently 14001 certified. During 2017 a further two sites will undergo external EMS certification.</p> <p>As part of EMS continual improvement we are launching our environmental program through the Asahi Beverages Operational Excellence System (OES). This 5 stage maturity level system will commence with a foundation program focusing on 14001:2015 requirements before moving into footprint reduction activities.</p> <p>We continue to identify and implement energy efficiency opportunities including;</p> <ul style="list-style-type: none"> <li>• Site-wide upgrade of lighting to energy efficient LEDs at Laverton, Albury and Welshpool manufacturing sites and continuation of upgrade programs at all other manufacturing sites.</li> <li>• Feasibility assessment of solar PV system at both Welshpool (1300kw) and Heathwood (500kw).</li> <li>• Boiler efficiency improvements at Huntingwood as part of the NSW Government Energy Efficiency program.</li> <li>• Continued installation of VSDs across the business.</li> <li>• Process energy auditing at Tullamarine to identify further opportunities for improvement.</li> </ul>
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17. Describe any constraints or opportunities that affected performance under this KPI

We continue to integrate recently acquired sites to achieve standardisation across the business.

We also continue to undertake large scale projects as part of the business strategy and therefore can at times create an increase in waste. However as a business we remain focused on optimisation and continue to achieve our KPIs.

Goal 2: Recycling

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

Rating

Rating Comments

**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)

Our environmental Policy includes a commitment to integrating environmental considerations into procurement. Our Procurement contract templates include environmental evaluation criteria.

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.	Review the Asahi Beverages environmental purchasing policy and practices which include a commitment to buy recycled where possible.	Existing documentation is in place.  However as committed, a review into the development of a Strategic sourcing policy and criteria has commenced in partnership with National EHS and Procurement teams.
2.	Investigate opportunities to increase recycled content of packaging materials.	This is a criteria of our standard process and therefore ongoing.  We continue to partner with our suppliers and customers to increase the sustainability focus and identify opportunities throughout our network for increasing recycled content of by products, waste and packaging where possible.

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

Goal 2: Recycling

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

Rating

Rating Comments 

Great to see that your company is actively engaged with your suppliers when implementing your 'Buy Recycled Policy'. We encourage you to formalise agreements with your contractors/suppliers by implementing minimum recycled content clauses within your contract agreements. Although you may be restricted in your ability to adopt recycled content in primary packaging, it is considered best practice to investigate other areas that you have more ability to exert control– for example printed marketing materials or head office stationary supplies. You may also like to consider the current percentage of recycled content in any secondary or tertiary packaging you are using. We recommend that you provide the quantitative outcomes of your recycled content purchasing to strengthen your response.

**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)

The Asahi Beverages Environmental Policy includes a commitment to working with business partners, industry bodies, government agencies, community groups and other concerned organisations to promote environmentally sustainable practices. This is realised in the packaging sense by our work with our packaging suppliers, our customers and the broader beverage industry.

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.	Review the Asahi Beverages environmental purchasing policy and practices which includes a commitment to buy recycled where practical.	Existing documentation is in place.  However as committed, a review into the development of a Strategic sourcing policy and criteria has commenced in partnership with the national EHS and Procurement teams.
2.	Comply with the SA & NT Container Deposit Scheme.  Actively participate and support the development of the NSW (& future states) extension of the Container Deposit Scheme.	Compliance to the SA and NT Container Deposit Scheme has been achieved and is ongoing. The process is currently being mapped, to identify simplification and optimisation opportunities.  Asahi Beverages has mobilised a cross-functional business project team to review the current CDS practises for existing States against the NSW requirements in order to achieve compliance once launched.  Asahi Beverages continues to actively participate with industry and relevant groups regarding the NSW Scheme and development of other State Schemes.

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

With regards to the CDS, some challenges have included obtaining clear time lines and criteria from the NSW Authorities.

Goal 3: Product Stewardship

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

Rating 4

Rating Comments 

We commend you on having an active and formal policy to work with the supply chain on packaging sustainability innovation. We recommend that you provide detail on any interactions you have had with other industry stakeholders that may be considered collaboration such as improved packaging design, networking opportunities with new contractors and/or innovative ideas that have inspired your company actions.

See the APC members panel discussion video on the importance of Supply Chain Collaboration within their organisations to achieve best practice outcomes : <https://www.youtube.com/watch?v=ZzxxGUxulHo>

**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.	Maintain APC membership and annual reporting. Participate in improvement activities and workshops.	Asahi Beverages continues to be a member of the Australian Packaging Covenant. We actively participated in the APC workshop held in September 2016.  Asahi Beverages has accepted the invitation to take part in the Australian Packaging Covenant Organisation (APCO) research on the creation of a transparent Packaging Sustainability Framework.
2.	Comply with the SA & NT Container Deposit Scheme.  Actively participate and support the development of the NSW (& future states) extension of the Container Deposit Scheme.	Compliance to the SA and NT Container Deposit Scheme has been achieved and is ongoing. The process is currently being mapped, to identify simplification and optimisation opportunities.  Asahi Beverages has mobilised a cross-functional business project team to review the current CDS practises for existing States against the NSW requirements in order to achieve compliance once launched.  Asahi Beverages continues to actively participate with industry and relevant groups regarding the NSW Scheme and development of other State Schemes.

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

We continue to develop and improve our Environmental Management Systems, with five manufacturing sites currently 14001 certified. During 2017 a further two sites will undergo external EMS certification. As part of EMS continual improvement we are launching our environmental program through the Asahi Beverages Operational Excellence System (OES). This 5 stage maturity level system will commence with a foundation program focusing on 14001:2015 requirements before moving into footprint reduction activities. We continue to identify and implement energy efficiency opportunities including;

- Site-wide upgrade of lighting to energy efficient LEDs at Laverton, Albury and Welshpool manufacturing sites and continuation of upgrade programs at all other manufacturing sites.
- Feasibility assessment of solar PV system at both Welshpool (1300kw) and Heathwood (500kw).
- Boiler efficiency improvements at Huntingwood as part of the NSW Government Energy Efficiency program.
- Continued installation of VSDs across the business.
- Process energy auditing at Tullamarine to identify further opportunities for improvement.
- Our waste to landfill reduction program continues to
  - Participation in the NSW government funded Industrial Ecology program at both Huntingwood and Albury to identify opportunities to divert waste to landfill.
  - Feasibility assessment into the use of reusable freight containers used for the transport of pre-forms and caps.
  - Waste mapping activities at Tullamarine and Welshpool to help identify opportunities to eliminate the generation of manufacturing waste.

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

With regards to the CDS, some challenges have included obtaining clear time lines and criteria from the NSW Authorities.



Goal 3: Product Stewardship

KPI 7: % signatories showing other Product Stewardship outcomes.

Rating

5

Rating Comments

You have demonstrated a strong company awareness of energy and recycling sustainability. Your company is making considerable efforts to reduce its' carbon footprint. Fantastic achievements with EMS certification and implementation.

There are many other product stewardship or general sustainability activities that your company may like to explore for future APC involvement. For example,

- the APC will have a future focus on industry leadership over problem materials such as coffee cups, polystyrene, and soft plastics. You may like to consider addressing the reduced use of these materials in your business operations for future targets.

- you may like to provide more detail on any employee education programs, memberships to sustainable organisations or community/charity engagement actions you have achieved.

**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.	Maintain recycle/litter information provided to consumers.	Asahi Beverages maintains the inclusion of recycling labels on all relevant containers.
2.	Comply with the SA & NT Container Deposit Scheme.  Actively participate and support the development of the NSW (& future states) extension of the Container Deposit Scheme.	Compliance to the SA and NT Container Deposit Scheme has been achieved and is ongoing. The process is currently being mapped, to identify simplification and optimisation opportunities.  Asahi Beverages has mobilised a cross-functional business project team to review the current CDS practises for existing States against the NSW requirements in order to achieve compliance once launched.  Asahi Beverages continues to actively participate with industry and relevant groups regarding the NSW Scheme and development of other State Schemes.

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

### Goal 3: Product Stewardship

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

Rating

4

Rating Comments

It is great to see that you have appropriate disposal guidance and recycling logos on all of your products.  
The APC is currently working on the establishment of a consistent product-labelling scheme as a part of the new strategic plan. This aims to improve correct recycling behaviour and prevent fugitive packaging ending up in the environment. Keep your eye on the APC newsletter for updates on this exciting project coming shortly.

To encourage litter minimisation among employees on-site, we suggest adding 'do the right thing' signage and bin infrastructure around litter hot-spots such as cigarette break areas or waste docks.

Another way you can reduce your company litter footprint is by organising for a group of staff to participate in Business Clean Up Day. You can sign up here: <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

At Asahi Beverages, we are committed to maintaining our social responsibility through minimising our environmental impact and we continue to develop both strategic and tactical initiatives.

We continue to develop and improve our Environmental Management Systems, with five manufacturing sites currently 14001 certified. During 2017 a further two sites will undergo external EMS certification.

As part of EMS continual improvement we are launching our environmental program through the Asahi Beverages Operational Excellence System (OES). This 5 stage maturity level system will commence with a foundation program focusing on 14001:2015 requirements before moving into footprint reduction activities.

We continue to identify and implement opportunities including;

- Light-weighting of our primary and secondary packaging.
- Vertical integration of primary and secondary packaging reducing the energy required to produce the materials as well as optimising transport requirements.
- Site-wide upgrade of lighting to energy efficient LEDs at Laverton, Albury and Welshpool manufacturing sites and continuation of upgrade programs at all other manufacturing sites.
- Feasibility assessment of solar PV system at both Welshpool (1300kw) and Heathwood (500kw).
- Boiler efficiency improvements at Huntingwood as part of the NSW Government Energy Efficiency program.
- Continued installation of VSDs across the business.
- Process energy auditing at Tullamarine to identify further opportunities for improvement.
- Our waste to landfill reduction program continues to
  - Participation in the NSW government funded Industrial Ecology program at both Huntingwood and Albury to identify opportunities to divert waste to landfill.

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

As a result of recent business acquisitions, Asahi Beverages continues with significant integration activities that are changing the mix and manufacturing locations of our products. We continue to manage these activities to mitigate the environmental impacts and to identify improvement opportunities.

**Summary of ratings:**

<b>KPI</b>	<b>2017 Rating (0-5)</b>	<b>2016 comparison</b>	<b>2015 comparison</b>	<b>2014 comparison</b>	<b>2013 comparison</b>	<b>2012 comparison</b>
KPI 1	3	5	4	5	4	4
KPI 3	4	4	4	3	4	4
KPI 4	3	4	3	4	4	3
KPI 6	4	4	4	4	4	3
KPI 7	5	4	4	3	3	2
KPI 8	4	3	4	4	3	3
<b>Average rating for this signatory</b>	<b>3.8</b>	<b>4.0</b>	<b>3.8</b>	<b>3.8</b>	<b>3.7</b>	<b>3.2</b>
<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>

You have shown great company commitment towards recycling and packaging sustainability.

We encourage you to continue your centralised data collection, and record as much quantitative information as possible. This will help to develop strong baseline data in respect to achievements made to date so that future outcomes can be easily reported.

The APC have developed a new Strategic Plan, which we recommend you view to inform you on the future direction of the APC and how you can continue to progress in the areas of resource efficiency, landfill minimisation and industry leadership. See an overview here: <http://www.packagingcovenant.org.au/pages/apc-strategic-plan.html>