



Signatory Name: Pilot Pen Australia Pty Ltd

The question numbers in this report refer to the numbers in the report template. Not all questions are displayed in this report.

Status: In Progress

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 2014 – 30 June 2015
- Calendar Year: 1 January 2015 – 31 December 2015

8. Was your action plan extended or updated to cover the APC transitional year (01/07/2015 -30/06/2016)?

- Yes
- No

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

* Artwork form F019 includes a marketing checklist which requires the Brand Managers/Purchasing Officers to verify that SPG guidelines have been considered
* When staff go overseas or suppliers visit, we discuss improvements and communicate our desire for environmental options

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.	Ensure all new product designs are reviewed against the Sustainable Packaging Guidelines. Evaluate new design against the guidelines and measure compliance.	We still continue to use the new packaging artwork form F019 "Artwork Order and Approval Form Packaging" which has a checklist box for consideration of SPG guidelines. Work continues on existing designs to continually improve. Where improvements in the past have been identified, this continues to be implemented across the relevant products.

2.	<p>All product lines to be reviewed and evaluated based on item 3 (schedule for packaging reviews) and outlined in Action Plan ie identify Packaging Material used by Configuration (21/12/13)</p>	<p>This objective has not been completed as per expected timetable. The baseline measure has not effectively been captured especially with change of suppliers. Based on the previous reviewer comments we will now try to consolidate the packaging types and determine if we can provide any better data capture as well as improved packaging solutions amongst the suppliers.</p> <p>Where we have changed suppliers we have educated them on our desire to consider packaging options. Some of the past outcomes have resulted in using PET vs PVC material, less gsm cardboard weight, bulk packs, FSC board and more efficient product layout and transportation within key volume seasonal dump bins.</p> <p>In addition, on one of our key volume lines, we have swapped carton suppliers and printed directly onto recycled cardboard (as opposed to stickering and labelling) resulting in the elimination of thousands of labels that had previously been used.</p>
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14. Describe any constraints or opportunities that affected performance under this KPI

We continue to find that as a small player in the global market (both as the brand owner and importer), we have little control of packaging requirements especially in relation to energy and water questions. Where we do have control we have implemented and maintained from previous years improvements eg transport efficiency in key point of sale bins, consolidated freight options, FSC board, recycled board, PET. The next step in 2016 is to better engage and understand further what we can do to improve by involving more external meetings with our key suppliers.

In many instances customer requirements sometimes dictate us to go through certain suppliers for mandatory packaging solutions such as dump bins. In addition, customers require fast turnaround times so even though SPG guidelines are considered sometimes they cannot be met depending on material availability etc

As per reviewer comments we need to improve our internal discussions by similar grouping of products to more efficiently review existing packaging. At present the baseline percentage is sometimes hard to calculate with suppliers changing constantly.

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.	Increase the level of recycling activity within the company. Compare current level and establish target.	<p>Level of recycling increased in 2015. A review of waste in 2014 saw a new provider from March 2015 which enabled us to separate our waste into 3 categories including cardboard/paper, plastic and waste as opposed to previously only cardboard/paper and general waste.</p> <p>Despite not being able to weigh the waste we have tracked the figures via truck pick ups and using a standard bale weight to use as comparison when moving into 2016.</p> <p>In addition a pallet of IT equipment was safely recycled to a company that disassemble the items and then ship to appropriate recycling plants or is refurbished.</p> <p>Within the office</p> <ul style="list-style-type: none"> - Some staff continue to have 2 bins for general waste and paper/cardboard - Double sided printing is used in the majority of cases - Use of Toshiba printer ('Best Eco Product') that erases and re-uses paper up to 5 times has seen significant A4 paper savings to the company especially in relation to picking slips. The impact of this resulted in no A4 paper purchases made in 2015. <p>Despite no exact figure for specified APC reporting period, from launch (October 2013) we have saved approx. 40trees by reusing paper. From December 2014 - January 2016 we have saved approx. 20 trees.</p> <p>Within the warehouse</p> <ul style="list-style-type: none"> - The warehouse manager actively encourages all staff to re-use any cartons that come into the warehouse. The sheer volume of thousands of boxes means some still have to be crushed with many thousands re-used.
2.	Ensure all appropriate packaging to include logo. Educate consumer's awareness of recycling. Current product reviewed by 31/12/12	<ul style="list-style-type: none"> - This is being achieved and continues to be worked across all consumer units and outer/inner cartons where possible when print runs come available. - Where appropriate the sales department continue to actively promote to the trade our environmentally friendly product offerings especially in regards to refill options.

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

As per last years comments we still need to determine a baseline figure to ensure that percentage of recycling to waste is increased. This can be better determined at end 2016 when we have the comparison figures to compare.

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)

Pilot Pen Australia Green Policy (located on intranet)

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 current company policy for "Buy Recycled" content and amend if necessary. Establish a policy 30/12/11	<p>A Green policy was established on intranet and includes Toshiba printing and E-storage as per Senior Management directive. The erase and re-use capability of this machine has saved approx.20 trees in one year, with thousands of picking slips now being reused on the same piece of paper at least up to 5 times.</p> <p>Purchasing officers have also,where possible and on bulk volume items, bought materials that are made from recycled materials. This can be evidenced especially from seasonal bulk POS items.</p>

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

The Green Policy is due to be updated and reviewed in 2016 to include the "Eco erasing and scanning process" of the company printing policy and desire for making processes more E-storage friendly vs paper archiving.

A better way to better capture the purchasing items such as stationery, chairs, desks and ensuring recycled content to also be considered in 2016.

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)

- * Checklist for marketing and purchasing artwork form F019 to help aid in discussion with suppliers
- * Waste contracts in place
- * At any opportunities with our suppliers/principal we raise our environmental concerns

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?
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1.	Identify products (as per item 1.2) where improvements to packaging can be implemented. Due 31/12/14	<p>Some key volume items in 2015 were swapped from overseas to a local supplier helping reduce unnecessary transport and emissions into the environment. At the same time improvements of printing directly onto cartons instead of using plain boxes and sticking labels onto boxes was made. The cartons for top selling lines continue to use a percentage of recycled material within them. We have also made significant shipment consolidations during the year reducing unnecessary transportation.</p> <p>Some local repacking has resulted in an efficient system for overseas components being contained within the same finished box eliminating thousands of unnecessary duplication of boxes.</p> <p>At key seasonal times which sees major volumes of potential waste, SPG guidelines were considered especially regarding efficiencies in transportation and in store product volume efficiency. The decision was to continue with a major retailer the same style bin-in-bin dump bin which maximises pallet configuration without shipping 'empty air space'. The material used was also made from recycled materials. In other key retailers where we lacked control of bin design we were able to at least put more product in the bin to result in less bins being required. Working with one customer meant a further idea to store extra stock in base of bin for replenishment leading to no unnecessary extra deliveries and further supporting the environment.</p> <p>The overall implementation of a refillable permanent point of sale unit in major customer in 2014 has seen the significant benefits roll out into 2015 resulting in the elimination of thousands of unnecessary packing components. This concept continues to be promoted to other major customers for consideration.</p> <p>FSC board continues to be purchased across one of our smaller brands, as well as buying recycled board across major seasonal point of sale units.</p>
2.	Develop a policy to ensure all new products are evaluated against the SPG guidelines	<p>Artwork form F019 has a checklist.</p> <p>All purchasing and marketing staff are aware of the need to consider environmental choices where appropriate. Evidenced by meetings with suppliers.</p> <p>In 2016 we plan to further summarise the SPG guidelines into areas of most volume items and 'influence' in which we can manage/have control of and the target accordingly.</p>

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

Many times our timelines are strict and managing materials at the last minute becomes difficult. A plan to better incorporate and engage our external suppliers needs to be managed from the outset.

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.	Advise suppliers of our commitment to the covenant and assist them in providing environmentally efficient packaging solutions	At all supplier visits we discuss our APC goals and potential packaging opportunities. Key volume lines in 2016 will be reviewed and targeted amongst suppliers where we can make the most impact.
2.	Continue to promote the "Green"range of products distributed by Pilot Pen Australia including * Pilot Begreen * Sellotape Enviro * Westcott KleenEarth	* Most 'green' products are price comparable to equivalent standard products * Sales team continue to present to major customers our 'green' range and continue to promote and communicate/encourage the overall benefits of using refills in our products. These have been actively targeted and where possible any pens have the equivalent refill option available for purchase. * Reps have promoted within the trade a pen/refill counter unit and KleenEarth deal * Full page advertising is evident of the continued support of this range as well as trade shows and school carnival advertising during the year of 'Green' products

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

By end 2016 all rep vehicles will be 4 cylinder. We currently have 11 vehicles in our fleet, five are currently 4 cylinder motors (diesel), three are currently 4 cylinder motors (petrol), one is currently 6 cylinder (diesel), two are currently 6 cylinder motors (petrol) these will both expire and change to 4 cylinder diesels during 2016.

We continue to successfully use ipads that were implemented in 2014 making the order pads redundant. It has also reduced print outs with reps being able to actively present flyers/presentations on screen.

Lights are turned off in the warehouse on hot days. Air conditioning and lights in the offices have auto timers to ensure there is some 'down' time in case someone forgets to turn off when leaving the premises.

Due to success of the E-filing (scanning and erasing) within the accounts, customer service and warehouse departments other departments are now actively in the process of duplicating this workflow.

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

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.	To reduce the number of packaging items in the litter stream by promoting on all packaging the recycling nature of components (backing cards and blister) with clear visual instructions	<ul style="list-style-type: none">- We continue to add this feature on all old/new products as print run opportunities arise. The logos of 'litter' symbol and 'dispose of thoughtfully' on all consumer products continues to be part of the formal processes- Significant customers are still being presented our 'Green' products and benefits of refills- We continue to actively promote loose pens in displays which eliminates any need for blisters or cardboard

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

We still struggle to find onsite initiatives for employees aluminium cans, food and beverage materials

Discussion in 2016 to take place regarding the possibility to participate or donate to Clean up Business Day

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

Our major achievements continues to be:

- The successfully ranging of a permanent display unit in a major retailer in 2014 resulting in eliminating any unnecessary packaging elements. This has resulted in the benefits being achieved into 2015 in thousands of blisters and backing card savings.
- Continuation of efficient dump bin solutions to do with transportation and better maximising product units within bins at key peak times which has resulted in waste savings
- Changing suppliers has resulted in directly printing onto cardboard making the requirement for stickering labels redundant
- Using existing component materials to repack certain key lines (eliminating any unnecessary duplication of boxes)
- Ongoing consolidation of freight deliveries
- Implementation of waste segregation in the warehouse from March 2015 into 3 areas from 2 (now including plastic)
- Use of Toshiba Eco printer in the offices/warehouse resulting in no A4 paper purchased in 2015 (savings of approx. 20 trees)
- Active re-use of thousands of cartons within the warehouse during the year

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

As per last year reviewer comments we need to improve our internal discussions of SPG guidelines by similar grouping of products to more efficiently review existing packaging on items that we can have a most significant impact on. At present the baseline percentage is sometimes hard to calculate with suppliers changing constantly. It is also hard to gather any information about waste and energy usage when we don't control the factories, sometimes even ascertain material improvements that can be made. Training and workshops with APC/ other companies in 2016 to be considered to refresh and inspire ideas over above what has been achieved so far.

Customer timings also play a significant part of the process who will sometimes dictate requirements or printers to go through. More supply chain initiatives to be considered in 2016.

A refresh to our suppliers about APC about our commitment and desire to find improvements in packaging to be implemented and driven in 2016.