

Annual Report and Action Plan

Company Name: **Henkel Australia Pty Ltd**

Trading As:

ABN: **82001302996**

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**

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

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

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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

In 2022, we released a letter to all Packaging suppliers requesting them to help us action Australia's 2025 National Packaging Targets based on the Sustainable Packaging Guidelines (SPG). Any packaging materials we develop or procure with our suppliers needs be reviewed against these guidelines and key packaging sustainability requirements.

We regularly communicate and promote packaging sustainability objectives and targets within our organisation. We regularly engage or communicate with our external stakeholders about the environmental impacts of our packaging. All employees are empowered to take action for sustainability and to complete the "Sustainability Pioneer" training program.

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

Henkel Australia launched Schwarzkopf Sustainable - a range of shampoos and conditioners in both a refill pouch made from 68% less plastic and a reusable Aluminium bottle.

As of June 2022, all our laundry liquid detergent bottles now contain 50% Australian recycled material (rHDPE).

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 **21%** 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
- **3%** 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:
 - 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.)
- **15%** 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.
- Investigate opportunities to use reusable packaging.
- 1% of our packaging to have all packaging components that are reusable.
- Improve the accuracy of our data regarding reuse.
- 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.

- 19% 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
 - Rigid plastics
 - Timber
 - Glass
 - Metals
 - Terracycle Bin for any hard-to-recycle packaging
- Aim for 14% 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:
 - 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

- 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