



Signatory Name: Hally Labels 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: 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:

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

The Hally Labels Sustainable Packaging Guidelines Template has been incorporated into our stage and gate Edge process for the development of new products. It has also been embedded in our Procurement Team's processes. In addition, we have created an SPG's checklist for our Account Managers to use with our customers when they are developing new labels. This label-specific SPG's checklist is being used as part of a new 'label audit' service that we are offering free of charge to new and existing customers.

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.	1.2 Review all existing internal packaging against the SPGs as per the timetable above using the custom SPG template	We have completed a review of pallets during the reporting period.
2.	1.3 Use custom SPG template for procuring new internal packaging	No new internal packaging has been procured in the reporting period.

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

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.	3.1 Implement onsite recycling for paper and office goods	This was previously completed for our Brisbane site. During the reporting period our Sydney site was incorporated into Hally Labels after previously trading as a separate entity. This site does not currently have onsite recycling for paper and office goods. This will be implemented in the 2017 reporting period.
2.	3.2 Implement onsite recycling in the lunchroom	This was previously completed for our Brisbane site. During the reporting period our Sydney site was incorporated into Hally Labels after previously trading as a separate entity. This site does not currently have onsite recycling in the lunchroom. This will be implemented in the 2017 reporting period. We estimate that during the reporting period we recycled 6,000 litres of lunchroom waste materials at our Brisbane site.
3.	3.3 Develop recycling systems for internal packaging (not labels)	This was previously completed for our Brisbane site. During the reporting period our Sydney site was incorporated into Hally Labels after previously trading as a separate entity. This site does not currently have full onsite recycling for internal packaging (except for cartons). This will be implemented in the 2017 reporting period.

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

A further opportunity for recycling that has been implemented is for the packaging of our ink container waste. By returning and recycling the empty ink containers, we have diverted 2,600kg's of polypropylene from landfill. The incorporation of our Sydney site into the business has meant we have had to revisit actions that had previously been completed.

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)

Hally Labels Buy Recycled Policy, hosted on our internal quality system database.

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.	4.3 Develop product range for customers of recycled content label materials	In the reporting period over 73% of all of the self adhesive paper materials that we have sold have been either FSC or PEFC certified i.e. sustainably sourced. This success hasn't translated to our Post Consumer Waste and Recycled Content materials portfolio. Our customers continue to be influenced by the commercials and are choosing sustainably sourced materials over recycled content materials. Recycled content materials represent less than 1% of all of our paper materials sold.
2.	4.4 Review office products and marketing collateral for recycled content opportunities.	We continue to look for opportunities to use recycled content paper for office and marketing requirements. Examples in the period of using recycled content paper include our Christmas cards, our branded stationery, and our flyers.

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

The lack of commercially acceptable recycled content label materials has meant progress in selling these materials to our customers has been slower than we would have liked. However the good progress made on commercially acceptable FSC and PEFC certified materials has led to an overall improvement.

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)

Formal Policies:
 F252 New Supplier Proposal
 F253 Current Supplier Review Summary
 In addition, environmental sustainability initiatives are included on the agenda of key supplier meetings, and we use our Action Plan and the SPG's to guide these discussions.

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.	6.1 Review waste management contracts that require collection and recycling of packaging	As part of bringing our Sydney site into the broader business, we have committed to reviewing the waste management contract at this site to look for opportunities to improve. These will be implemented in the 2017 reporting period.
2.	6.2 Include in tender questionnaires whether suppliers have implemented APC or similar so that better partnerships for sustainability can be achieved using common goals.	This is covered by existing documentation introduced in a previous reporting period. Within our supply base in the last 12 months there have been no new signatories to the APC, however several signatories are suppliers to our business. As part of the annual review we align around common sustainability goals.
3.	6.3 Put in place a requirement in the procurement process that suppliers have regular meetings or product reviews to reduce/reuse/recycle packaging/materials and for suppliers to share their own sustainable learning's.	While our core raw material suppliers are not signatories to the APC, they are part of global programs operating under stringent and transparent environmental governance with annual reporting to stakeholders. This forum allows us to share and align goals. We have several other suppliers to our business who are signatories to the APC, and signatory obligations form part of our supply partnership agreements.
4.	6.4 Work with suppliers to improve the design of materials and optimise efficiency	In the reporting period several initiatives have been implemented in partnership with our suppliers including: Minimisation of the packaging that is used for all Hally Labels products e.g. pallet consolidation for deliveries, removal of excessive stretch wrap and strapping and simplification of the outer labelling and identification. Reusing empty pallets; in 2016 we reused 3,500 pallets. Increased the roll diameter of our lamination film to match our self adhesive rolls and in doing so minimised roll joins by 25% which eliminated approx. 606kgs of self adhesive material and lamination film waste. Working group established with key raw material supplier to; identify any environmentally sustainable packaging options for strapping and filmic wrap. And also investigate alternative waste disposal to ensure that opportunities to recycle are optimised.

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

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.	7.1 Investigate new options for label waste recycling or more sustainable disposal	We continue to discuss with our suppliers the opportunity to recycle our label liner and matrix waste. At present there is no industry standard and the business case for us to implement a standalone recovery system is not viable.
2.	7.2 Investigate ways to convert waste into new products. E.g. contact Replas to determine recycling opportunity as their new Logan plant	Complications have arisen as our waste is incompatible with other waste products. This devalues the entire recovery effort. We will continue to investigate new options as they arise.
3.	7.3 Gain FSC/PEFC certification	Our Brisbane site was certified in 2013. As part of efforts to bring our Sydney site into the broader business we began work in 2016 to implement this certification at the Sydney site. This work was completed in 2016, with certification officially received in early 2017.
4.	7.5 Investigate benefits of gaining ISO 14001 certification	The investigation has been completed and we have agreed to pursue certification. We are currently in the compliance scoping phase, however this process has been re-prioritised and will be revisited in 2017.
5.	7.6 Develop a formal Environmental Sustainability Policy	Our policy was updated in 2016 to reflect new business goals.
6.	7.7 Develop regular communication materials to keep all staff informed of activities and progress	This is ongoing, communications have included website updates, staff newsletters, and posters.

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

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

We have come across numerous constraints in the pursuit of our goals. This has been related to a lack of external capability to manage waste. We remain committed to working with our partners to improve upon this.

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.	8.1 Participate in Business Clean-Up Day to address litter on site	Complete, we participate in this annually. We collected 6 bags of litter which was sorted into recyclable and non-recyclable material and disposed of accordingly.

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

During the reporting period we re-designed the artwork for our cartons, and took the opportunity to include a statement to encourage re-use and recycling. There is no opportunity to print recycling or anti-litter information on any of our other packaging however we do provide information to customers about the recyclability of the materials.

In terms of litter of the labels that we manufacture, whilst we do encourage our customers to include a recycling message on their label, the final decision sits with them.

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

We are seeing a growing awareness of the APC amongst our customer base, and their willingness to collaborate on shared goals.

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

As mentioned in our report, in 2016 our Sydney site was brought into the broader business. This has meant that goals that we had previously completed have become open again as we look to implement initiatives at this site.