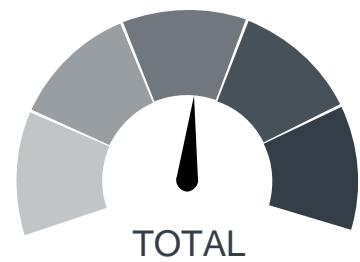
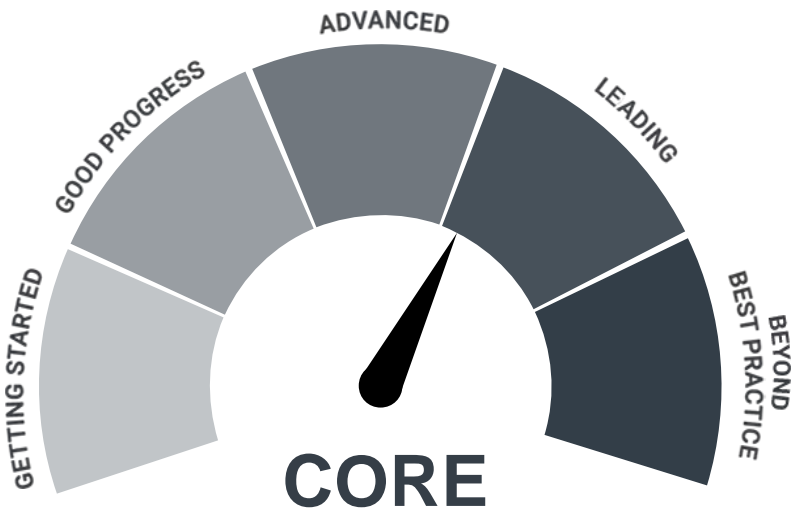
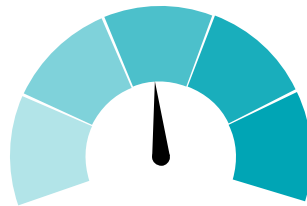


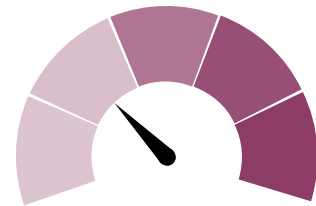
DASHBOARD



LEADERSHIP



OUTCOMES



OPERATIONS

SUMMARY

For the 2020 APCO Annual Report, *Caps & Closures Pty. Ltd.* has achieved Level 4 (Leading) for the core criteria. All seven core criteria were answered and four out of six recommended criteria were answered.

INDICATORS

This Annual Report shows the organisation's performance against the APCO Packaging Sustainability Framework.

CORE: All core criteria.

RECOMMENDED: All answered recommended criteria.

TOTAL: Sum of all core and answered recommended criteria.

LEADERSHIP: All criteria that defines leadership on packaging sustainability.

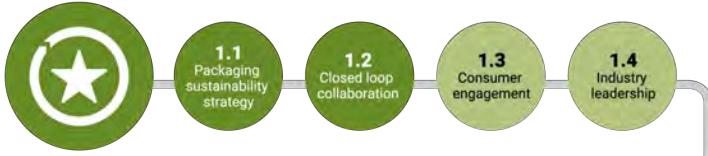
OUTCOMES: All criteria that lead to direct improvement in packaging sustainability.

OPERATIONS: All criteria related to business operations for improving packaging sustainability.

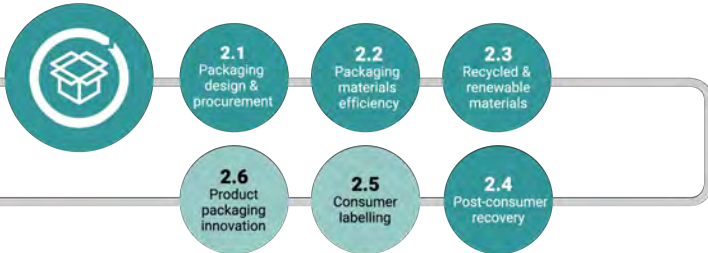
REPORTING FRAMEWORK

OVERVIEW

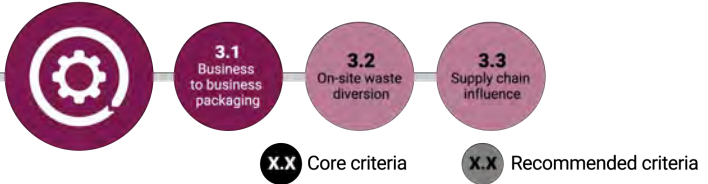
1. LEADERSHIP



2. OUTCOMES



3. OPERATIONS



LEVEL DESCRIPTION

LEVEL 0

NOT YET STARTED

The organisation does not have a plan and has not started investigating options for action under the relevant criteria.

LEVEL 1

GETTING STARTED

The organisation is developing a plan or is investigating options for action under that criteria (e.g. agreeing on goals and targets).

LEVEL 2

GOOD PROGRESS

There are documented procedures in place (e.g. to implement the Sustainable Packaging Guidelines) or some progress has been achieved, data tracking shows up to 20% of products have achieved the desired outcome.

LEVEL 3

ADVANCED

The organisation has specific, measurable targets in place, or data tracking shows that >20% of products have achieved the desired outcome.

LEVEL 4

LEADING

The organisation has more rigorous procedures in place, or an ambitious target has been met e.g. >50% of products have achieved the desired outcome.

LEVEL 5

BEYOND BEST PRACTICE

The organisation has more rigorous procedures in place, or an ambitious target has been met e.g. 100% of products have achieved the desired outcome.

ABOUT THE APCO FRAMEWORK

The APCO Packaging Sustainability Framework (the Framework) aims to provide a consistent and transparent framework for assessing and tracking packaging sustainability across organisations. The Framework consists of thirteen independent criteria that belong to three separate categories. These categories are (i) Leadership, (ii) Packaging Outcomes and (iii) Operations. The diagram above shows the different criteria included within each of these three categories.

There are two types of criteria within the Framework:

- **Core criteria** are mandatory and must be answered by all Members when completing the Annual Reporting Tool.
- **Recommended criteria** are not mandatory, but Members are encouraged to complete as many recommended criteria as possible.

Each criteria is divided into five levels of performance ranging from 'getting started' to 'beyond best practice'. The diagram above illustrates the key differences between performance levels. Please see www.packagingcovenant.org.au for more information.

ABOUT APCO

APCO is a co-regulatory, not for profit organisation that partners with government and industry to reduce the harmful impact of packaging on the Australian environment. APCO promotes sustainable design and recycling initiatives, waste to landfill reduction activities and circular economy projects. APCO Annual Reports are a key Membership obligation, providing Member organisations with a transparent method to track their packaging sustainability performance. Annual reporting also supplies APCO with valuable data and information to identify industry trends and advancements.

FREE FORM QUESTIONS

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

Caps and Closures is continuously improving the sustainability of its material use, manufacturing processes and waste product disposition. Caps and Closures is participating in the plastics circular economy by collaborating with customers, material suppliers, recyclers, waste repurposing enterprises and philanthropic establishments.

Exploring new materials – natural and bio-degradable – low carbon footprint

1. Production validation and customer offering of eco-friendly plastic additives that improve the behaviour of plastic products. These natural additives protect the environment, reducing the product's carbon footprint by up to 90%. and the use of fossil fuel-based resins.

2. Manufacturing trials of a plastic alternative that is microplastic-free and 100% bio-degradable, yet is suitable for our injection moulding processes and recyclable by industrial composting.

Changing how we buy and stock materials

1. Purchasing bulk bag material stock eliminating small bags. The large bags are used by a repurposing company manufacturing products from them.

Recycling/repurposing production waste product

1. Reuse of production waste, avoiding landfill. Caps and Closures waste product is an ideal "construction" material in classrooms. We have distributed materials to schools.

2. Increased reclaiming of ABS, nylon, polypropylene and polyethylene material for re-use in products.

Manufacturing process improvement

1. Automated additive mixing for moulding machines, reducing waste product by eliminating over/under use of additives.

2. Trial of hygienic custom sized polypropylene "work in progress" boxes with unlimited reusability, to replace limited use cardboard units and liner bags.

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

Energy Stewardship

As a complementary strategy to our material waste reduction initiative, Caps and Closures is upgrading its manufacturing process equipment to improve energy efficiency, thereby reducing our energy requirements and impact on the environment.

1. Installation of a new energy efficient servo-hydraulic moulding machine in October 2019, The new moulder saves over 40% in energy compared with the old generation machine it replaced

2. Improved efficiency wadding machine on order. Expected in March 2020, Caps and Closures will commission a high-speed energy efficient double track wadding machine to replace older less efficient machine. The new machine achieves approximately double the output for the same energy consumption as the machines it will replace.

3. Caps and Closures is continually looking for ways to improve its manufacturing processes in existing machines, and in combining operations and improving machine coordination. Recently our engineer designed a new machine arrangement for 83mm caps that doubles wadding throughput, and allows improved production rate and efficiency from the moulding machine that produces the caps, saving time and energy.

4. Caps and Closures processes a wide range of wadding or sealing materials, of different material and colours. Engineering has added colour sensing capability via sensor upgrades to machines for automatic detection of faults in wadding material and cap feed supply, reducing wadding and cap waste and more importantly reducing rejected assemblies.

5. Caps and Closures sees an opportunity to improve its energy stewardship through renewable, sustainable energy - planning to install a large solar array renewable solar energy in the next year.

COMMITMENTS

The Action Plan detailed below, is a public commitment to advancing packaging sustainability outcomes as a Member of APCO. Members are encouraged to have a comprehensive internal plan with the steps they will take to fulfill their commitments.

Criteria 1.1 PACKAGING SUSTAINABILITY STRATEGY (core)

4. Leading

Your organisation is committed to: Having targets that are specific, measureable and time-based.

Criteria 1.2 CLOSED-LOOP COLLABORATION (core)

4. Leading

Your organisation is committed to: Regularly monitoring quantifiable outcomes of your closed loop collaborations, and identifying areas for further improvement within existing or new initiatives.

Criteria 1.3 CONSUMER ENGAGEMENT (recommended)

1. Getting started

Your organisation is committed to engaging consumers about packaging sustainability by: (1) Including packaging information on your website or other publications.

Criteria 1.4 INDUSTRY LEADERSHIP (recommended)

3. Advanced

Your organisation is committed to: (1) Investigating collaborative or industry leadership actions to improve packaging sustainability. (2) Being involved in a program or initiative to improve packaging sustainability through collaboration and leadership. (3) Actively engaging with peers and/or the community to promote packaging sustainability, and sharing sustainability knowledge for non-commercial purposes.

Criteria 2.1 PACKAGING DESIGN & PROCUREMENT (core)

1. Getting started

Your organisation is committed to: Preparing a procedure that requires the use of the Sustainable Packaging Guidelines (SPG) or equivalent to evaluate packaging during design or procurement.

COMMITMENTS

Criteria 2.2 PACKAGING MATERIALS EFFICIENCY (core)

4. Leading

Your organisation is committed to: Reducing packaging weight or optimising packaging material efficiency in more than 50% of products.

Criteria 2.3 RECYCLED & RENEWABLE MATERIALS (core)

3. Advanced

Your organisation is committed to: Incorporating or optimising recycled and/or renewable content in more than 20% of products.

Criteria 2.4 POST-CONSUMER RECOVERY (core)

4. Leading

Your organisation is committed to: Having more than 50% of primary packaging be recoverable through existing post-consumer recovery systems and achieving the highest potential environmental value.

Criteria 2.5 CONSUMER LABELLING (recommended)

Not relevant

Your organisation has indicated that this criteria is not relevant.

Criteria 2.6 PRODUCT-PACKAGING INNOVATION (recommended)

1. Getting started

Your organisation is committed to: Investigating opportunities to change the design or delivery of at least one product to improve packaging sustainability.

Criteria 3.1 BUSINESS-TO-BUSINESS PACKAGING (core)

1. Getting started

Your organisation is committed to: Developing a plan or investigating opportunities to reduce the amount of single-use business-to-business (B2B) packaging used internally or sent to customers.

COMMITMENTS

Criteria 3.2 ON-SITE WASTE DIVERSION (recommended)

2. Good progress

Your organisation is committed to: Investigating opportunities to divert up to 20% of solid waste generated at facilities (factories, warehouses, offices, retail stores etc.) from landfill.

Criteria 3.3 SUPPLY CHAIN INFLUENCE (recommended)

1. Getting started

Your organisation is committed to engaging its supply chain about packaging sustainability by: (1) Communicating goals and guidelines.

SIGN OFF

Brendon Holmes

Managing Director

Tuesday, 30 June 2020

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