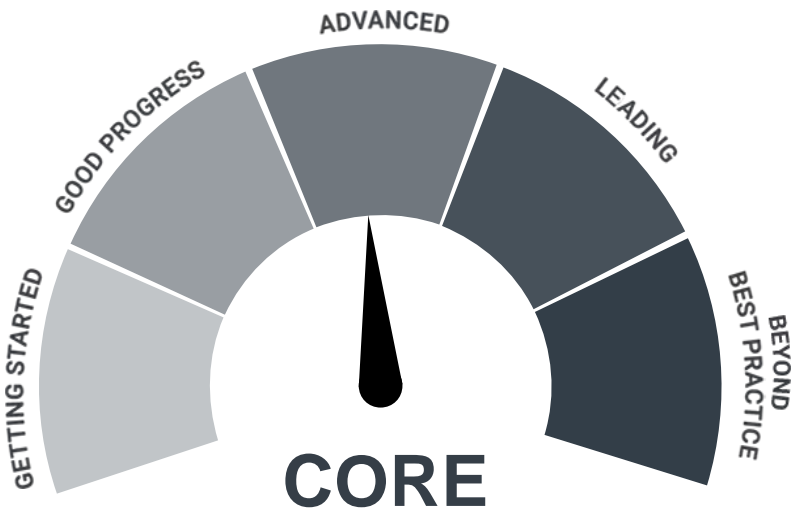
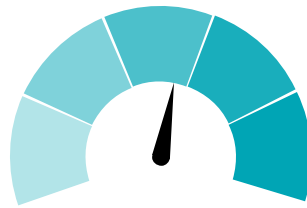


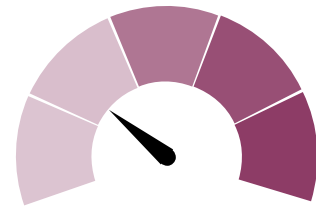
DASHBOARD



LEADERSHIP



OUTCOMES



OPERATIONS

SUMMARY

For the 2021 APCO Annual Report, *Caps & Closures Pty. Ltd.* has achieved Level 3 (Advanced) for the core criteria. All seven core criteria were answered and three 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.

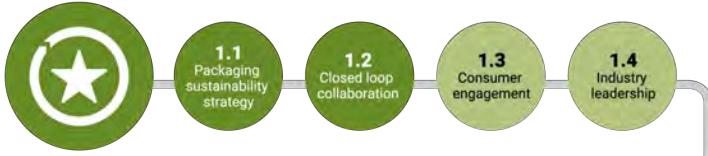
OUTCOMES: All criteria that lead to direct improvement in packaging sustainability.

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

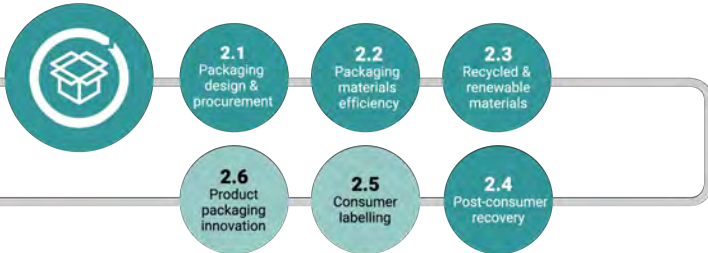
REPORTING FRAMEWORK

OVERVIEW

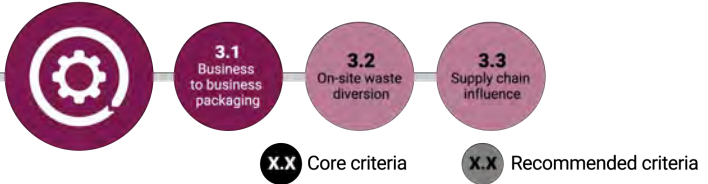
1. LEADERSHIP



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 & Closures has implemented a number of initiatives to support sustainable packaging in its business activities.

1. The company has investigated the use of recycled material in its cardboard packaging and is evaluating alternative sources.
2. The use of cardboard pallet corners has been eliminated for intrastate shipping and restricted to interstate shipping.
3. LDPE shrinkwrap material used in wrapping pallets is of the thinnest practical grade.
4. Production has sourced more durable "work in progress" containers to reduce use of cardboard in its production processes.
5. A compactor/baler has been acquired and is now used to bale recyclable production waste, in an effort to make the material more attractive to recyclers.
6. Recycling paths have been identified and used for recyclable production waste materials, with the assistance of experienced waste processing professionals.
7. Purchasing bulk bag material stock eliminating small bags. The large bags are used by a repurposing company manufacturing products from them.
8. Increased reclaiming of ABS, nylon, polypropylene and polyethylene material for re-use in products.
9. Automated additive mixing for moulding machines, reducing waste product by eliminating over/under use of additives.

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 equipment to improve energy efficiency, thereby reducing our energy requirements and impact on the environment.

1. Installation of a new energy efficient fully electric moulding machine in June 2021, The new moulder saves over 80% in energy compared with the old generation machine it replaces.
2. A second Improved efficiency wadding machine on order. Expected in June 2021, Caps and Closures will commission a highspeed 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 and in 2020 installed a large solar array renewable solar energy.

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)

1. Getting started

Your organisation is committed to: Investigating options to join or start a collaborative initiative to address barriers to the recovery of waste packaging.

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)

4. Leading

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) Being involved in multiple programs or initiatives to improve packaging sustainability through collaboration and industry leadership. (4) 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)

3. Advanced

Your organisation is committed to: Reviewing at least 20% of packaging with reference to the Sustainable Packaging Guidelines (SPG) or equivalent.

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)

4. Leading

Your organisation is committed to: Incorporating or optimising recycled and/or renewable content in more than 50% of products.

Criteria 2.4 POST-CONSUMER RECOVERY (core)

1. Getting started

Your organisation is committed to: Investigating opportunities to improve recoverability in packaging.

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)

1. Getting started

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

Criteria 3.3 SUPPLY CHAIN INFLUENCE (recommended)

3. Advanced

Your organisation is committed to engaging its supply chain about packaging sustainability by: (1) Providing support to suppliers to improve their understanding of goals and strategies. (2) Collaborating with key suppliers to share knowledge. (3) Having processes to evaluate risks and opportunities for influence.

SIGN OFF

Brendon Holmes

Managing Director

Thursday, 1 April 2021

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