



# **Australian Packaging Covenant**

## **Action Plan**

**2016 – 2020**

## Executive Summary

At Asahi Beverages, we acknowledge the strong link between our raw materials and the environment from which they are sourced. Turning natural resources into high quality beverages for the enjoyment of our consumers is what we do. In doing this, we are committed to minimising the impact we have on the environment in which we live.

Our Philosophy includes a commitment to enhancing our communities and minimising the impact on the environment which is reflected in our Environment Policy.

Our environmental program is aligned to the overall objective and performance goals of the Australian Packaging Covenant, facilitating the delivery of our commitments as a Covenant signatory.

This action plan details activities and initiatives that Asahi Beverages is undertaking to support the goals of the Covenant. As a beverage business we are focusing our activities within our marketplace and supply chain in order to maximise the financial, environmental and social benefits of our actions. Under this action plan we will be undertaking a number of direct actions and initiatives to reduce the environmental impacts of our packaging.

I am pleased to endorse the Asahi Beverages Action Plan for 2016 – 2020 under the Australian Packaging Covenant.

A handwritten signature in black ink, appearing to read "Peter Margin".

Peter Margin  
Executive Chairman



## Company Description

In April 2009 Schweppes Australia became a wholly owned subsidiary of Asahi Breweries (Japan). Since this time, the business continues to undertake significant integration with the creation of Asahi Beverages as the new corporate brand encompassing Schweppes Australia and other recently acquired businesses across Australia and New Zealand.

Asahi Beverages is a major Australian/New Zealand beverage company that produces a wide range of alcohol and non-alcohol beverages. Asahi Beverages employs over 2,100 people in Australia and New Zealand.

Asahi Beverages manufactures, markets, sells and distributes both alcoholic and non-alcohol beverages. We manufacture our products from a number of primary raw materials – water, fruit juice, sugar and other ingredients are used for our products. In order to ensure the effective delivery of our products to consumers, we use rigid containers for primary packaging made from PET, aluminium, glass and PVC. Additionally, to protect these from damage and prevent product waste, we use secondary packaging such as cardboard boxes for delivery to our customers.

We manufacture our own brands; these include Schweppes, Cottee's, Solo, Spring Valley, Cool Ridge, Woodstock, Mountain Goat and Cricketers Arms. We also manufacture products under licence these include Pepsi, Gatorade, Sunkist and Somersby. In addition, we distribute Asahi products in Australia and New Zealand, and Voss premium water.

For more information about Asahi Beverages and a full list of brands, please visit the Asahi Beverages website: [www.asahi.com.au](http://www.asahi.com.au).

Asahi Beverages' head office is located in South Melbourne, Victoria. We manufacture at a number of facilities located around Australia and New Zealand, with additional sales and distribution centres also located throughout the country.

## Packaging materials and formats

Asahi Beverages recognises the important role packaging plays in safely delivering high quality product to our consumers. We use a range of packaging materials and have a number of pack formats to suit our customer types.

### Primary packaging

- PET bottles are used for carbonated drinks, water and sports drinks.
- Aluminium cans are used for carbonated drinks (alcohol and non-alcohol).
- Glass bottles are used for carbonated drinks (alcohol and non-alcohol), juice and cordial.
- PVC bottles are used for cordial products.
- In some instances high wet strength board is used to pack bottles and cans into consumer multi-packs.
- Steel, LDPE, HDPE, aluminium and polypropylene are used for bottle caps
- Paper and polypropylene are used for bottle labels.
- Laminate bags are used for syrup bag-in-box product.

### Transport packaging

- Corrugated board is used to pack and transport many primary units.
- Tray and shrink wrap is used for some can and bottle pack formats.
- Corrugated board layer pads are used on some pack formats.
- Stretch wrap is used to support some pallets during transportation.
- Products are transported on reusable wooden pallets.

## Environmental management at Asahi Beverages

The commitments and actions undertaken by Asahi Beverages under the National Packaging Covenant form part of our environmental management program. We have an Environment Policy which outlines a number of commitments including a commitment to reducing the environmental impacts of our packaging (see Appendix 1).

Our policy commitments are implemented through our environmental management system which sets out the responsibilities and procedures required to meet our policy commitments. Currently five of our manufacturing sites are certified by an accredited auditing body to the requirements of the international standard ISO 14001. We plan to certify all of our newly acquired manufacturing sites certified to ISO 14001:2015 by the end of 2020.



While we strive continually to improve efficiency and reduce levels of waste to land, air and water, our challenge is to continue the journey towards long-term sustainable use of resources. Our performance in these areas is measured through a number of key performance indicators, both at a site level and as a national business. All manufacturing sites have in place continual improvement programs that monitor and measure these key performance indicators, set targets for improvement, and have programs in place to achieve these targets.

## Summary of Initiatives in this Plan

This action plan outlines the measures we will take to minimise the environmental impacts of our packaging. The action plan table provides a full account of these measures. It continues on from the work conducted under the Schweppes Australia National Packaging Covenant action plans and reports.

Actions in this plan have been grouped under the three Covenant goals:

- Goal 1 Design: Optimise packaging to use resources efficiently and reduce environmental impact without compromising product quality and safety.
- Goal 2 Recycling: Efficiently collect and recycle packaging
- Goal 3 Product Stewardship: Consumers able to make informed decisions about consumption, use and disposal of packaging of products.

The action plan table also identifies the relevant Covenant KPIs that each action relates to. This demonstrates that actions in this plan encompass all parts of the lifecycle of our packaging and also adequately address the KPIs relevant to brand owners.

For each action we have set out the appropriate baseline data. This will be used to measure progress against key performance indicators throughout the life of this action plan.

We recognise that as technology improves and the supply chain matures we can continue to find opportunities to reduce the direct impacts of our packaging designs through light-weighting, incorporation of recycling content and analysis of distribution impacts. We have set out a number of specific initiatives in these areas to be addressed during the plan and will continue to research other opportunities.

## ASAHI BEVERAGES APC ACTION PLAN TABLE

ACTION	RESPONSIBILITY	TIMEFRAME	BASELINE	TARGET	EVIDENCE
<b>COVENANT PERFORMANCE GOAL 1 - DESIGN</b>					
Optimise packaging to use resources efficiently and reduce environmental impact without compromising product quality and safety.					
<b>Covenant KPI 1 – Proportion of signatories in the supply chain implementing the Sustainable Packaging Guidelines for design or procurement of packaging.</b>					
Innovate and design in alignment with the Sustainable Packaging Guidelines (where practical)	Packaging team	Ongoing	50% of existing products reviewed	All new products reviewed to SPG	New product development process
Continue to investigate light-weighting opportunities in primary and secondary packaging where possible	Packaging team	Ongoing	Refer to 2015 report, this is a significant area of focus	Annual review of opportunities to be embedded in strategy	Annual reports on progress and outcomes of investigations
To continue to optimise packaging supply to use resources efficiently and reduce environmental impacts.  This includes vertical integration of primary packaging and manufacturing packaging closer to use.	Packaging & National Engineering team	Review annually, progress ongoing	Previous initiatives in NPC reports	Annual review of opportunities to be embedded in strategy and capital budget	Annual reports on progress and outcomes of investigations

ACTION	RESPONSIBILITY	TIMEFRAME	BASELINE	TARGET	EVIDENCE
<b>COVENANT PERFORMANCE GOAL 2 - RECYCLING</b> Efficiently collect and recycle packaging.					
<b>Covenant KPI 3 – Proportion of signatories with on-site recovery systems for recycling used packaging.</b>					
Implement improvements to the reduction, on-site collection and recycling collection facilities for used packaging	National EHS	Annual update	On-site recycling rates for all waste in 2015 was 82.2%	2% reduction of waste to landfill year on year	Waste collection reports Waste audit reports Recycling rate trend reports Annual reports
To develop and deploy the Asahi Beverages Environmental Management System and certify against 14001:2015.	National EHS	2020 with annual update	Currently we have 5 sites certified against ISO 14001.	All of our newly acquired manufacturing sites certified to ISO 14001:2015 by the end of 2020.	Annual reports
<b>Covenant KPI 4 – Proportion of signatories with a policy to buy products made from recycled packaging.</b>					
Review the Asahi Beverages environmental purchasing policy and practices which include a commitment to buy recycled where practical.	Procurement and National EHS	June 2017	Existing Asahi Beverages (formerly Schweppes Australia) policy in place	Existing policy reviewed and amendments communicated to the business and supplier and supplier network	Authorised Policy document
Investigate opportunities to increase recycled content of packaging materials	Procurement Packaging	Annual update	Refer to 2015 report, this is a significant area of focus	Annual review of opportunities to be embedded in strategy	Annual reports on progress and outcomes of investigations



ACTION	RESPONSIBILITY	TIMEFRAME	BASELINE	TARGET	EVIDENCE
<b>COVENANT PERFORMANCE GOAL 3 – PRODUCT STEWARDSHIP</b> Consumers able to make informed decisions about consumption, use and disposal of packaging of products.					
<b>Covenant KPI 6 – Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging.</b>					
Review the Asahi Beverages environmental purchasing policy and practices which include a commitment to buy recycled where practical.	Procurement and National EHS	June 2017	Existing Asahi Beverages (formerly Schweppes Australia) policy in place	Existing policy reviewed and amendments communicated to the business and supplier and supplier network	Authorised Policy document
Comply with the SA & NT Container Deposit Scheme.  Actively participate and support the development of the NSW (& future states) extension of the Container Deposit Scheme.	National EHS	Annual update and ongoing	Existing arrangements with SA/NT super collector.	Compliance with upcoming Container Deposit Scheme legislation within government deadline	Annual Report
<b>Covenant KPI 7 – Proportion of signatories demonstrating other product stewardship outcomes for packaging.</b>					
Maintain APC membership and annual reporting. Participate in improvement activities and workshops	National EHS	Annual	Refer to 2015 report	Annual membership and ongoing participation	Membership and Annual funding Annual Report
Comply with the SA & NT Container Deposit Scheme.  Actively participate and support the development of the NSW (& future states) extension of the Container Deposit Scheme.	National EHS	Annual update and ongoing	Existing arrangements with SA/NT super collector.	Compliance with upcoming Container Deposit Scheme legislation within government deadline	Annual Report

ACTION	RESPONSIBILITY	TIMEFRAME	BASELINE	TARGET	EVIDENCE
<b>COVENANT PERFORMANCE GOAL 3 – PRODUCT STEWARDSHIP</b> Consumers able to make informed decisions about consumption, use and disposal of packaging of products.					
<b>Covenant KPI 8 – Reduction in the number of packaging items in litter.</b>					
Maintain recycle/litter information provided to consumers	Packaging National EHS	Complete and ongoing	Litter man, Please Recycle and Plastics Identification symbols used	Recycling information reviewed and a report generated	Documented report
Comply with the SA & NT Container Deposit Scheme.  Actively participate and support the development of the NSW (& future states) extension of the Container Deposit Scheme.	National EHS	Annual update and ongoing	Existing arrangements with SA/NT super collector.	Compliance with upcoming Container Deposit Scheme legislation within government deadline	Annual Report



## Contact Details

The key contact within Asahi Beverages for information regarding this National Packaging Covenant Action Plan is:

Natalie Tabone  
National Environment, Health and Safety Manager ANZ  
Asahi Beverages  
2 Beverage Drive  
Tullamarine, 3043

## APPENDIX 1 – ENVIRONMENT POLICY



# Environment Policy

At Asahi Beverages, we acknowledge the strong link between our raw materials and the environment from which they are sourced. Turning natural resources into high quality beverages for the enjoyment of our consumers is what we do. In doing this, we are committed to minimising the impact we have on the environment in which we live.

### Commitments

Recognising the importance of our environmental responsibilities, we commit to:

#### 1. Compliance

Comply with all environmental legislation and other relevant obligations

#### 2. Accountability

Provide people at work with the information, training and supervision to understand and uphold their environmental responsibilities

#### 3. Management of systems

Implement and operate an effective environmental management system

#### 4. Environmental impact reduction

Identify all points where we impact the environment and take action to eliminate, minimise or mitigate their impacts. This will include but not be limited to:

- Reducing greenhouse gas emissions through improved energy efficiency and sourcing
- Improving the efficiency with which we use water, packaging and other materials
- Reducing, reusing and recycling wherever practicable and disposing of waste in a manner that minimises environmental impact
- Protecting ecosystems and biodiversity through the prevention of pollution
- Integrating environmental considerations into strategy, product and packaging design and procurement
- Working with business partners, industry bodies, government agencies, community groups and other concerned organisations to promote environmentally sustainable practices.

#### 5. Continual improvement

Establish, measure and review objectives and targets to continually reduce our impact on the environment.



**Peter Margin**  
Executive Chairman

Effective date: July 2016