



Signatory Name: Brown Forman Australia 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: Completed

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:

6. Industry type (please select 1 only):

- Food & Beverage
- Pharmaceutical / Personal Care / Medical
- Hardware
- Homewares
- Communications / Electronics
- Clothing / Footwear / Fashion
- Chemicals / Agriculture
- Fuel
- Large Retailer
- Tobacco
- Shipping Company
- Airline
- Other:

7. Please indicate your organisation's reporting period:

- Financial Year: 1 July 2012 – 30 June 2013
- Calendar Year: 1 January 2013 – 31 December 2013

Goal 1: Design

KPI 1: % of signatories with documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent.

8. 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

Brown-Forman Packaging Scorecard - Spirits (v2, 2013) based on the principles of the SPG has been integrated into the Project Management process for all new packaging projects.

9. 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?

%

10. Have any new types of packaging been introduced during the reporting period?

- Yes No

11. 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

%

12. 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.	Introduce SPG to Brown-Forman packaging engineers and internal design teams	Introductory meeting held with packaging engineers in June 2013 to review SPG concepts and the BF Packaging Scorecard - Spirits (v1). Introductory meeting held with internal design team in November 2013 to introduce the SPG and the BF Packaging Scorecard - Spirits (v2, 2013)
2.	Integrate SPG into existing BF Project Stage Gate review process for all new products or packaging sizes/configurations and begin review of 100% of new packaging projects	BF Packaging Scorecard - Spirits (v2, 2013) released to packaging engineers for completion of reviews on all new packaging projects. SPG review integrated into Project Management timeline for packaging projects, with reviews to begin in January 2014 for all new projects.
3.	Complete SPG review for 50% of existing packages by April 2015	Review of existing packaging configurations started in 2013 using BF Packaging Scorecard - Spirits (v2, 2013). Less than 5% of existing packaging configurations have been reviewed against SPG.

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

During the development of the packaging scorecard, it was determined that three separate scorecards would need to be developed to reflect the differences in the three primary categories of products: spirits, ready-to-drink (RTD), and gift packaging. Due to resource constraints within the SPG team, only the spirits scorecard was completed in 2013. This scorecard, however, will be used for the majority of BF products.

Goal 2: Recycling

KPI 3: % signatories applying on-site recovery systems for used packaging.

14. 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

15. 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.	Reduce the amount of waste BF production sites dispose of in landfills by 25% within five years, starting from CY2012 baseline.	Cardboard - 938 tons recycled in 2013 (7% increase from 2012) Glass - 2,425 tons recycled in 2013 (36.6% increase from 2012) Wood Waste - 225 tons recycled in 2013 (11.4% increase from 2012) Plastics - 155 tons recycled in 2013 (6% decrease from 2012)

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

In 2013, one production site conducted a waste-stream assessment and developed a waste separation process to increase recycling of packaging materials and other recyclables. This process reduced waste to landfill from 18 tonnes in CY2012 to 17 tonnes in CY2013 (5.5% reduction), with further reductions expected in CY2014 since recycle process was not established until half-way through 2013.

Production sites continue to review opportunities for reducing tertiary packaging, both on incoming materials and outgoing product. As these projects are completed, it is expected that total amount of packaging material recycled (especially stretchwrap and cardboard) will decrease as less material is used. This will increase the percent of waste sent to landfill as the total amount of waste material is decreased the reduction efforts.

In some locations, sufficient infrastructure is not in place to provide data on weight of material sent to landfill or recycled, so data for the company is not yet complete. BF is working with its waste management partners to identify solutions to improve data collection.

KPI 4: Signatories implement formal policy of buying packaging made from recycled products.

17. Does your company have a formal policy of buying packaging made from recycled packaging?

- Yes
 No

Please explain why not

Internal reorganization of supply chain group was completed in 2013, changing some personnel within material procurement function and limiting the time available for work on a formal policy.

18. Is this policy actively used?

- Yes
 No

19. 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.	Implement a formal policy to purchase recycled content packaging materials when BF quality and cost specifications are met	No work completed in 2013, but the Packaging and Supply Chain functions are forming a team to define and measure sustainable purchasing practices, to include recycled content policy for packaging and other paper and forest products.

2.	Implement a system to document PCR content in current packaging materials	BF Packaging Scorecard - Spirits (v2, 2013) includes documentation of recycled content contained within the primary container (bottle or can) and shipper case (cardboard)
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20. Describe any constraints or opportunities that affected performance under this KPI

Focus of resources on reorganization of BF supply chain and procurement functions due to production expansion limited ability to develop and implement a recycled content policy for packaging or other materials. Some recycled content materials are already in use, but there is no formal mechanism in place that encourages purchasing of materials that include recycled content. Additionally, the premium spirits market places an emphasis on clarity of glass for bottles that cannot be achieved when recycled content is used. This presumed conflict between premium and sustainability is being further explored to determine where changes can be made to increase recycled content for premium expressions.

Goal 3: Product Stewardship

KPI 6: % signatories with formal processes to work collaboratively on packaging design and / or recycling.

21. 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

22. 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.	Establish a formal process for communicating with our suppliers regarding the design and recyclability of our packaging	Initial communication to key suppliers and customers completed in December 2013 that included request to consider use of recycled content materials in future packaging projects. BF Australia is working to establish regular discussions with suppliers and co-packers on improvements to packaging and reductions in waste.

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

Because of expanding new product innovation efforts, packaging engineers are working on a large number of packaging projects. This limits the time available to meet with packaging suppliers to discuss sustainable packaging improvements. Informal discussion have been held with primary glass supplier, as well as shipper case suppliers to identify opportunities for reducing material weight and incorporating additional recycled content.

KPI 7: % signatories showing other Product Stewardship outcomes.

24. 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.	Reduce greenhouse gas emissions per unit of production by 30% from CY2009 baseline by 2020.	By CY2012, achieved a reduction in GHG emissions of 43% per unit, and an absolute reduction in GHG emissions of 16% compared to CY2009.
2.	Reduce wastewater discharges per unit of production by 30% from CY2009 baseline by 2020.	By Cy2012, achieved a reduction in wastewater discharge of 24% per unit compared to CY2009.

25. 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

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

Shift in market requests for 6-pack cases of spirits products from 12-pack cases increases the total weight of packaging shipped into market. Continued focus on premium packaging tends to increase total packaging weight and reduce total recycled content included in packaging.

KPI 8: Reductions in packaging items in the litter stream.

27. 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.	Investigate options for reducing number of packaging items per product	Number of different packaging items included in BF Packaging Scorecard - Spirits (v2, 2013) as an assessment category to include litter reduction efforts in overall packaging review.

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

Customer expectations for new and innovative packaging changes, as well as increased competition for shelf space impacts our ability to reduce the number of pieces of packaging per unit of product. As pace of innovation increases and more new products are sent to market, resource and time constraints may limit opportunities for reducing number of packaging items per unit of product.

There are opportunities for working with warehouse/distribution partners, as well as with retail customers on reducing weight and number of packaging items per unit of product.

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.

29. Key achievements or good news stories

BF Australia has been contacted by a key retail partner to work on future product launches and improvements to packaging sustainability.

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

As product innovation efforts increase and number of new products released to market increases, the limited resources within packaging and design are not able to advance sustainable packaging efforts as quickly as desired. Customer expectations for both premium packaging, as well as innovative packaging and design elements can run counter to the SPG principles and limit improvements in packaging.