



**BRITISH AMERICAN  
TOBACCO**  
AUSTRALIA



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# Australian Packaging Covenant Action Plan

2016–2017



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# Foreword

## Welcome to British American Tobacco Australia's Australian Packaging Covenant Action Plan for 2016–2017

British American Tobacco Australia has been a proud signatory of the National Packaging Covenant and now the Australian Packaging Covenant (APC), since September 2000. The company remains committed to continually seeking new opportunities to improve the management of consumer packaging and packaging waste, within the realms of business limitations.

### Some key APC achievements from our journey to date include:

- 100% of our existing product packaging has been reviewed using the company Sustainable Packaging Guideline (SPG) template
- Developed a company specific 'Sustainable Packaging Checklist' which aligns with the APC's Sustainable Packaging Guidelines to review any new packaging opportunities
- Introduced a new packaging material for RYO products switching to a laminate pouch with a zip lock to maintain product freshness, resulting in between 11% and 22% reduction in primary packaging weight
- Improved our product to packaging ratio by 3% compared to 2014, and 11% over our 2013 baseline
- Continued to improve our office recycling rate reaching 65%, an increase of 9% compared to 2014



- Recycled 10 tonnes of consumer packaging resulting in a 72% packaging recycling rate (2% above target)
- Worked in partnership with our preferred stationery supplier to review commonly purchased items and identify new recycled content alternatives - 34 cost competitive recycled content or sustainable alternatives were identified for trial
- Purchased over 3.5 tonnes of recyclate in recycled content products through our commitment to buy recycled
- Continued to work with the other tobacco companies to progress a joint product stewardship response to address tobacco product and packaging litter
- Continued to support other product stewardship initiatives internally by collecting and recycling e-waste, mobile phones, batteries and Nespresso Pods

This new action plan covers the period from 1 January 2016 to 31 December 2017 and demonstrates excellence in supporting APC goals by building on previous APC achievements and developing new opportunities which reflect the state of our business and external environment as it stands.

As a major brand owner of consumer products in Australia, environmental issues relating to packaging remain integral to our business. We will continue to work with our suppliers, employees and retailers to improve our operations and look forward to implementing future sustainable packaging initiatives where feasible.

Guy Meldrum  
Area Director Australasia  
August 2016

# 1. Company Profile



## 1.1 Company Overview

British American Tobacco Australia is a wholly owned subsidiary of British American Tobacco (Australasia Holdings) Proprietary Limited which in turn is ultimately owned by British American Tobacco PLC, one of the world's largest tobacco groups with an active business presence in 180 countries.

British American Tobacco Australia employees 444 staff across Australia (as at January 2016).

## 1.2 Business Locations

The corporate head office of British American Tobacco Australia is located in Woolloomooloo, NSW. The company also has offices at the following locations:

- Malvern – South Australia
- South Brisbane – Queensland
- South Melbourne – Victoria
- Belmont – Western Australia

This action plan covers all business operations in Australia owned by British American Tobacco Australia.

### 1.3 Brand Ownership

Table 1 provides a summary of British American Tobacco Australia’s brands available within the Australian market. All brands are manufactured overseas in Singapore, Malaysia, South Korea or The Netherlands.

**Table 1: Brands sold in Australia**

Cigarettes	RYO	Cigars
Dunhill, Holiday, Pall Mall, Vogue, Rothmans Winfield, Benson & Hedges,	Capstan, Holiday, Port Royal, Winfield, Rothmans,	Captain Black

### 1.4 Packaging Materials and Formats

The packaging types used for British American Tobacco Australia’s products in Australia are detailed in Table 2.

**Table 2: Packaging Materials and Formats**

Product		Packaging Type		
		Primary	Secondary	Tertiary
Cigarettes	Pack	Packet overwrap (poly) Packet tear-tape (poly) Blank (virgin board) Foil (paper and foil composite) Inner frame (virgin board)	Outer (board or poly) Outer overwrap (poly or paper)	Shipper (recycled content board) Stretch wrap Pallet
	Roll Your Own	Pouch	Pouch wrap (poly) Pouch (paper)	

## 2. APC Management

British American Tobacco Australia has a well-resourced EH&S management framework. The structure consists of three distinct working groups focussing on key EHS responsibilities of the business and report to the Area Leadership Team via a senior management EH&S Steering Committee, as detailed in Figure 1.

The EH&S Manager has overarching responsibility for APC implementation and participates in the EH&S Steering Committee and all working groups. APC responsibilities are further reflected in relevant working group charters and action plans.



Figure 1: EH&S Steering Committee Structure

### 2.1 APC Working Group

The company APC Working Group is cross functional and consists of the following positions and business functions:

- EHS Manager – Corporate
- New Product Introduction Delivery Manager – Supply Chain
- Area Corporate Affairs Manager – Legal and External Affairs
- Procurement Manager – Supply Chain
- Head of Brand – Marketing

### 2.2 APC Disclosure

Current APC Action Plans and Annual Reports are published on the British American Tobacco Australia website – [www.bata.com.au](http://www.bata.com.au)

### 2.3 APC Contact

The British American Tobacco Australia APC contact is:

**Jason Dunn**  
EH&S Manager – Corporate  
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## 3. APC Actions

British American Tobacco Australia's 2016–2017 action plan continues to align activities with the three goals of the APC:

- Goal 1: Design
- Goal 2: Recycling; and
- Goal 3: Product Stewardship.

We are committed to improve sustainable outcomes for packaging whilst maintaining product quality and meeting safety standards. Our revised action plan focusses on 4 key areas:

- Implement sustainable packaging initiatives
- Maintain best practice waste management and recycling programs
- Continue to purchase recycled products, and
- Execute product stewardship initiatives.

Our Action Plan covers the period from January 2016 to December 2017 as detailed in Table 3.

**Table 3: British American Tobacco Australia APC Action Commitments 2016–2017**

Action Number	Target	Timeframe	Responsibility
<b>GOAL 1: SUSTAINABLE DESIGN</b>			
<b>KPI 1 – Implementation of the Sustainable Packaging Guidelines (SPG) for the design and procurement of packaging</b>			
1.1	Aim to document how Sustainable Packaging Guidelines are considered and integrated into packaging decisions for Australian products.	Aim to document the packaging design process consideration of local, regional and global packaging decisions. Global, regional and local sustainable packaging design considerations align with Sustainable Packaging Guidelines.	November 2016 EHS Manager Head of Brands NPI Manager
1.2	Review new packaging, including new packaging formats, materials, and changes to packaging configurations, against the Sustainable Packaging Guidelines	Local packaging review procedure documented New packaging definition specified	March 2016 Head of Brands NPI Manager
		Sustainable Packaging Checklist developed	June 2016 Head of Brands NPI Manager
		100% new packaging reviewed against the SPG	December 2016, annually Head of Brands NPI Manager
1.3	Monitor new packaging and packaging changes considered and implemented	Aim to develop the packaging register template	October 2016 Head of Brands NPI Manager
		Aim to document 100% new packaging and packaging changes Rationale for packaging changes justified	December 2016, annually Head of Brands NPI Manager
1.4	Engage the business to implement the Sustainable Packaging Checklist	Brand, New Product Introduction (NPI) and Product Development Team (PDT) briefed	June 2016 Head of Brands NPI Manager
		Brand and NPI teams complete the SPC template EHS manager part of decision making process for all new packaging	December 2016, annually Head of Brands NPI Manager EHS Manager
1.5	Review existing packaging to determine new sustainable packaging projects	Brand, New Product Introduction (NPI) and Product Development Team (PDT) briefed	October 2016, annually Head of Brands NPI Manager
		Brand and NPI teams complete the SPC template EHS manager part of decision making process for all new packaging	December 2016, annually Head of Brands NPI Manager
1.6	Monitor and report product to packaging ratio (by weight) annually	Product and packaging data management system maintained No decrease in product to packaging ratio	January 2016, annually NPI Manager

Action Number	Target	Timeframe	Responsibility
<b>GOAL 2: RECYCLING</b>			
<b>KPI 3 – On-site recovery systems for recycling used packaging</b>			
3.1	Maintain best practice waste and recycling systems across all company sites	Source separated, colour coded waste bins for garbage, recyclable containers, paper and cardboard, secure documents and food (where applicable) located at all sites Educational signage displayed on all bins to promote correct disposal of waste Waste collection services in place for all waste streams Waste management procedures documented and adopted by facilities management	September 2016, annually EHS Manager
3.2	Review waste management systems to identify new waste streams and recycling opportunities	Opportunity to recycle flexible plastics investigated and trialed	December 2016 EHS Manager
		Annual review of waste streams completed	September 2016, annually EHS Manager
		New recycling opportunities investigated	October 2016, annually EHS Manager
3.3	Check waste and recycling bins to estimate percentage of contamination and tonnes waste disposed	Six visual bin inspections conducted at head office Contamination and incorrect disposal of waste items documented Estimate of tonnes material disposed at head office collected and analysed monthly Estimate of tonnes material disposed at state offices collected and analysed twice per annum	December 2016, annually EHS Manager
3.4	Review state office waste management systems to check appropriate infrastructure, services and procedures in place	State office checklist developed to review waste and other environmental management programs	June 2016 EHS Manager
		Checklist completed at all state offices twice per annum Improvements and corrective actions implemented	June & November 2016, annually EHS Manager
3.5	Engage the business to maximise recycling rates and keep contamination levels low	Two company recycling rate communications to staff	June and December, annually EHS Manager Corporate Affairs Manager
		Four communications to the business to remind correct recycling procedure (via Environment Team)	March, June, September, December, annually EHS Manager
3.6	Monitor and report estimated tonnes waste disposed	Waste data management system maintained 65% business as usual recycling rate achieved 70% packaging recycling rate achieved	December 2016, annually EHS Manager

Action Number	Target	Timeframe	Responsibility
<b>KPI 4 – Policy and procedures to buy products made from recycled packaging</b>			
4.1	Maintain commitment to buy recycled in relevant company policies	Buy recycled commitment in Procurement Policy reviewed and updated annually	September 2016, annually Contract Manager
		Buy recycled commitment in Environment Policy reviewed and updated annually	January 2016, annually EHS Manager
4.2	Maintain commitment to purchase recycled content products where cost and quality are comparable	80% recycled content Australian made office paper purchased Aim to have all branded company stationery printed on 100% recycled content stock Archive boxes contain 40% recycled content stock 10% office stationery products purchased made from recycled content materials	December 2016, annually Contract Manager EHS Manager
4.3	Consider the use of recycled content stock for printed marketing materials where cost and quality are comparable	Baseline of recycled content stock established for printed marketing materials Request for quotation for printed materials to include option for recycled content stock	August 2016 Contract Manager
4.4	Review material purchases to identify opportunities to improve recycled content range products	Aim to quarterly review to establish the recycled content of office stationery items purchased undertaken	January, April, July, October - annually Contract Manager EHS Manager
		Bi-annual review of other material purchases	June and December, annually Contract Manager EHS Manager
		10% increase in range of recycled content products purchased annually	December 2016, annually Contract Manager EHS Manager
4.5	Engage staff to support and implement the company commitment to buy recycled	One meeting convened per annum to promote recycled content products Purchasing staff aim to buy recycled content products	July 2016, annually EHS Manager
		Uptake of recycled content products monitored quarterly	January, April, July, October - annually EHS Manager
4.6	Report number and weight of recycled content / sustainable products purchased	Recycled content purchases collated and checked quarterly	January, April, July, October - annually Contract Manager EHS Manager
		Tonnes recycle purchased estimated	December 2016, annually Contract Manager EHS Manager
4.7	Aim to include Sustainable Business Partner questionnaire in all 'Request for proposals' for new suppliers	Environment and sustainability commitment communicated to all new suppliers All new suppliers to complete Sustainable Business Partner review 10% weighting applied to environmental credentials when selecting new suppliers	January 2016, annually Contract Manager

Action Number	Target	Timeframe	Responsibility
<b>GOAL 3: PRODUCT STEWARDSHIP</b>			
<b>KPI 6 – Proportion of signatories that have formal processes for working with others to improve design and recycling of packaging</b>			
6.1	Review Sustainable Business Partner program and identify opportunities for improvement	Review Sustainable Business Partner program conducted Suppliers provide supporting evidence to support claims	August 2016 Contract Manager
6.2	Work with external suppliers to identify opportunities to support BAT Australia to meet our APC and Environment commitment	External supplier review meetings convened annually New program opportunities identified and assessed	December 2016, annually Contract Manager
6.3	Understand initiatives implemented by BAT manufacturing facilities to recycle used packaging and minimise water and energy consumption in production	Survey of manufacturing facilities conducted annually Environment programs and achievements documented	March 2016, annually EHS Manager
6.4	Engage with packaging development and procurement teams to identify opportunities to improve packaging sustainability	Two communications with global and regional packaging and procurement teams per annum New packaging opportunities identified and considered for local implementation	June and December 2016, annually Head of Brands NPI Manager
6.5	Work with suppliers to seek new products available made from recycled content materials.	Supplier meeting convened to discuss new recycled content product opportunities	October 2016, annually Contract Manager EHS Manager
		New recycled content products reviewed to compare cost and quality	December 2016, annually Contract Manager EHS Manager
6.6	Investigate alternative opportunities for the disposal of company trade returns to reduce packaging volumes currently disposed to landfill	Alternative options for the disposal of trade returns identified	December 2017 EHS Manager
6.7	Work with waste contractors to maintain waste and recycling systems, seek new recycling opportunities and maintain good quality waste and recycling data	New recycling opportunities reviewed for the business Waste contractor provide monthly waste and recycling reports Accurate weight information supplied	September 2016, annually EHS Manager
6.8	Work with distribution suppliers to identify opportunities to reduce the environmental impacts of product distribution	Delivery routes reviewed annually Recycling or reuse systems in place for delivery packaging	December 2016, annually EHS Manager
6.9	Work with distribution supplier to maximise recycling or reuse of transport packaging	Distribution supplier has systems to recycle and re-use transport packaging Volume packaging recycled estimated annually	December 2016, annually EHS Manager

Action Number	Target	Timeframe	Responsibility
<b>KPI 7 – Demonstrating other product stewardship outcomes</b>			
7.1	Develop APC Action Plan and Annual Reports in line with APC requirements	Action plans address all relevant KPI's defined by the APC Annual Reports prepared and submitted by 31 March each year	March 2016, annually EHS Manager
7.2	Develop APC Annual Report and publish it on www.bata.com.au	Develop action plans and professionally designed annual reports Annual report executive summary prepared Distribute via the company website	June 2016, annually EHS Manager Corporate Affairs Manager
7.3	Support other product stewardship programs to reuse and recycle batteries, corks, mobile phones, e-waste and Nespresso pods	Recycling and re-use programs maintained at all company sites Weight of material quantified and reported annually	December 2016, annually EHS Manager
7.4	Support renewable energy for all sites and offices to reduce carbon impact of business operations	25% renewable energy commitment implemented at all sites	June 2016 EHS Manager
7.5	Work with the other major tobacco companies to progress the Tobacco Industry Product Stewardship Group to address tobacco product and packaging litter	Nominated company representative participates in Tobacco Industry Product Stewardship Group activities	December 2016, annually EHS Manager Corporate Affairs Manager
		6 minuted meetings convened per annum	December 2016, annually EHS Manager Corporate Affairs Manager
		Annual budget allocated to support TPS programs	January 2016, annually EHS Manager
		Group governance systems meet the requirements of a Voluntary Product Stewardship Organisation	December 2016, annually EHS Manager Corporate Affairs Manager
		Three year group strategy developed inclusive of group objectives and targets	March 2016 EHS Manager Corporate Affairs Manager
		Annual action plans developed	March 2016, annually EHS Manager Corporate Affairs Manager
		Annual reports prepared summarising group activities, known littering trends, group decisions and lessons learned	March 2017, annually EHS Manager Corporate Affairs Manager

Action Number	Target	Timeframe	Responsibility	
7.6	Engage with relevant litter stakeholders to raise awareness about tobacco product stewardship programs and identify collaborative solutions to address the issue	Stakeholder engagement plan developed	June 2016	EHS Manager Corporate Affairs Manager
		Litter stakeholders approached by industry representatives across all states, territories and stakeholder categories, i.e. industry, government and community	December 2016	EHS Manager
		Key stakeholders aware of industry product stewardship program	December 2016	EHS Manager
		Opportunities to collaborate with litter stakeholders identified and actions documented in the group action plan	March 2017	EHS Manager
7.7	Conduct research to understand the effectiveness of existing programs to reduce tobacco product and packaging litter	Existing and previous butt litter programs identified and methodology and effectiveness analysed	December 2016	EHS Manager Corporate Affairs Manager
		Learnings from previous litter initiatives considered and relevant information integrated into tobacco industry product stewardship programs	December 2016	EHS Manager Corporate Affairs Manager
		Summary of preferred anti-butt littering techniques documented and new projects considered for inclusion in the 2017 action plan	March 2017	EHS Manager Corporate Affairs Manager
<b>KPI 8 – Reduction in the number of packaging items in litter</b>				
8.1	Maintain litter management plans at company sites to reduce potential littering around business locations and at external company events	No packaging litter created at company sites or company events	December 2016, annually	EHS Manager
8.2	Conduct annual internal butt littering awareness campaign	One Butt Free BAT Australia event or communication piece per annum No butt litter created at company sites or company events	October 2016, annually	EHS Manager Corporate Affairs Manager
8.3	Communicate messages to promote correct disposal of cigarette butts and tobacco packaging	Group communication plan developed	March 2016	EHS Manager Corporate Affairs Manager
		Group branding and communication messages agreed	August 2016	EHS Manager Corporate Affairs Manager
		Anti-butt litter campaign developed and distributed via tobacco retail network	February 2017	EHS Manager Corporate Affairs Manager
		Public group website developed to provide information and resources to address butt litter	December 2016	EHS Manager Corporate Affairs Manager



Action Number	Target	Timeframe	Responsibility	
8.4	Monitor tobacco product and packaging litter trends in terms of litter in the Australian environment and the littering behaviour of smokers	New methodology included in industry illicit trade research to identify the proportion of cigarette packs found in the litter stream	June 2016	EHS Manager
		National Litter Index results analysed each year and normalised against smoking rates to track cigarette butt and packaging litter trends	September 2016, annually	EHS Manager
		Litter behaviour survey implemented through individual tobacco company consumer research and collated to analyse self-reported littering behaviour, the major locations where people smoke (and litter) and the major reasons why people litter	March 2017, annually	EHS Manager
		Standardised project methodology to monitor the effectiveness of future industry funded anti-butt littering programs developed in collaboration with research experts	June 2017	EHS Manager
8.5	Support other litter organisations to implement anti-butt litter education campaigns	Financial sponsorship provided to nominated litter organisation	September 2017	EHS Manager



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