



# Sugar Australia Pty Ltd

Australian Packaging Covenant  
2011-2015 Action Plan

# Executive Summary

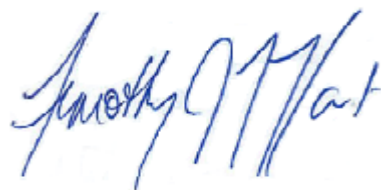
Sugar Australia Pty Limited is the leading supplier of quality sweetener solutions to the Australian market and service the industrial and retail sugar markets under the "Sugar Australia<sup>TM</sup>", "CSR Sugar<sup>TM</sup>", "Equal<sup>TM</sup>", and "Blendsure<sup>TM</sup>" brands.

Sugar Australia is committed to sustainable management of our branded products sold into the market and has been a signatory to the Packaging Covenant since 2001.

This document is Sugar Australia's Australian Packaging Covenant (APC) Action Plan for the period of 2011 to 2015. The aim of the 5 year Action Plan is to further integrate the achievements to date and to focus on key improvements such as the Sustainable Packaging Guideline implementation.

Participation in the Packaging Covenant has provided Sugar Australia with tangible, prudent improvements that have satisfied our business performance and our customers expectations.

Sugar Australia continues to support and contribute to the Covenant Funding Arrangements and remains committed to actively pursuing the goals of the Australian Packaging Covenant for the life of the program.



*Tim Hart*

Chief Executive Officer  
Sugar Australia Pty Limited



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# Sugar Australia Operations

Sugar Australia Pty Limited (Sugar Australia) is a joint venture between Sucrogen™ (75%) and Mackay Sugar Limited (25%). Sucrogen has been involved in the local sugar industry since 1855 as CSR Sugar.

Sucrogen, previously CSR Sugar Limited, is a sugar, renewable energy, ethanol and electricity cogeneration business. Mackay Sugar Limited is Australia's second largest sugar milling company. Raw sugar, the primary product of Mackay Sugar, averages 800,000 tonnes annually for both the domestic market and export distribution.

Sugar Australia is the leading supplier of quality sweetener solutions to the Australian market. Sugar Australia produces approximately 710,000 tonnes of refined sugar from our two Australian refineries in Melbourne and Mackay. 470,000 tonnes is sold into the Australian market under Sugar Australia's brands, of which some 100,000 tonnes is sold into the food services and the retail sector under "CSR Sugar™", "Equal™", and "BlendSure™" brands.



These products are packed into a variety of formats from the iconic paper bags to plastic tubs. This Action Plan focuses on packaging formats relating to branded products sold into the Australian market.

This Action Plan outlines the commitment and strategy that Sugar Australia has developed to meet the goals and Key Performance Indicators of the Australian Packaging Covenant.



Our range includes: Manufacturers' white sugar, premium crystal sugar, graded white sugar, caster sugar, extra coarse white sugar, brown and dark brown sugar, icing and blended icing sugars, raw sugar, raw castor sugar, coffee crystals, demerara, liquid sugars, golden syrup, treacle, invert syrup, jam setting sugars and specialty sweeteners.

# At a Glance... performance since 2005

Our packaging to product ratio has reduced by

↓23%



100% of our retail golden syrup and treacle products are now packaged in recyclable clear PET containers

The use of technology in stretch wrapping has seen a reduction in the use of wrapping by

↓34%

We've increased our packaging recyclability by

↑6%

94% of all branded retail items contain recycling or disposal information  
Compared to 0% in 2005

Our packaging weight has been reduced by

↓24%

Packaging to Landfill reduced by

↓73%

Domestic product transferred from single use packaging (paper bags) to reusable bulk transfer

↑6%



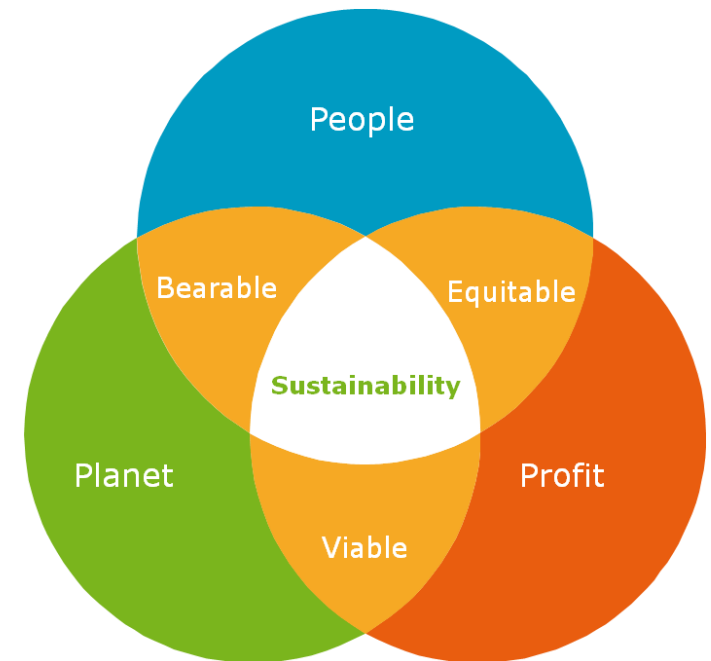
**Sugar Australia has made terrific progress against last 5 yr**

# Our Sustainability Commitment

Sugar Australia is a forward looking business that is committed to meeting its responsibilities in all areas of sustainability from business continuity through to community and employee welfare.

To start our journey , Sugar Australia developed **six sustainability themes** addressing key areas for improving our performance. The Packaging Covenant forms a significant piece of themes two, three and four.

1. Embed sustainable thinking in everything we do
2. Reduce our environmental footprint
3. Develop a sustainable supply chain
4. Evolve our products and markets to meet consumer trends
5. Promote sugar as a “natural part of life”
6. Work collaboratively with government and non-government entities





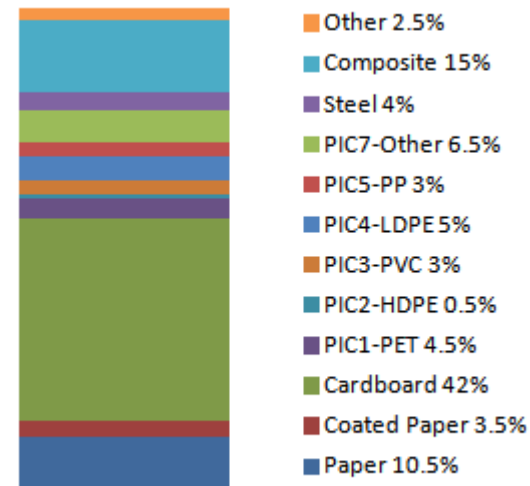
# Packaging Materials

During 2009-2010 Sugar Australia sold 470,000 tonnes of sugar products into the Australian domestic market.

- 78% of these products, by weight, were sold in bulk form and were generally dispatched by truck, tanker or containerised for road and rail transport. This form of distribution generally requires the least amount of packaging.
- 14% are sold in other forms of packaged bulk product (ranging from 15-1500kg) which are typically packaged in re-usable FIBC's, Pallecons™, drums or paper based bags.
- 8% of products are sold in smaller units to retail channel customers consisting of smaller sizes of 5kg down to 3g individual packs in a variety of materials including paper, LDPE, PET and PP bottles and plastic blends.

In total, Sugar Australia currently distributes approximately 187 branded products made up of over 270 different components. This equates to approximately 2,000 tonnes of total packaging (primary, secondary and tertiary) into the Australian market per annum.

The average packaging material breakdown is presented above, in which cardboard contributed 42% (777 tonnes) and is therefore the most significant packaging component.



Composite packaging accounts for 15% of all packaging, and due to the difficulty in recycling contributes 273 tonnes to landfill.

The third most used material for packaging is paper (196 tonnes or 10.5% of all packaging material). Traditionally sugar products have been distributed to retail in paper packaging which is considered to be a preferred packaging material due to its ability to be easily recycled. However paper does not offer some of the product protection benefits of plastic and for this reason, coated paper, composites, PET and LDPE are used.

# APC Goals, KPI's and Targets

## 1. Design

Optimise packaging to use resources efficiently and reduce environmental impact without compromising product quality and safety

- How sustainable Packaging Guidelines will be used for the design or procurement of all new packaging.
- Need to show a timetable for reviewing existing packaging.

**Target** - 100% of signatories in the supply chain by 2020

## 2. Recycling

Efficiently collect and recycle packaging via:

- Proportion of signatories with on-site recovery systems for recycling used packaging
- Proportion of signatories with a policy to buy products made from recycled packaging.

**Target** - Continuous improvement in the recycling rate

## 3. Product Stewardship

Demonstrate commitment of all signatories.

- A documented policy to review all packaging against the Sustainable Packaging Guidelines
- supply contracts that require take-back and recycling of packaging
- Waste management contracts that require collection and recycling packaging.'
- Reduction in litter

**Target** - 100% of signatories by 2020 and Continuous reduction in the number of packaging items in litter.

Goal	Key performance indicators		Covenant Targets
1	1	Proportion of signatories in the supply chain implementing the Sustainable Packaging Guidelines for design or procurement of packaging	100% of signatories in the supply chain by 2020
	2	National recycling rate for packaging	
2	3	Percentage of signatories with on-site recovery systems for recycling used packaging	Continuous improvement in the recycling rate
	4	Percentage of signatories with a policy to buy products made from recycled packaging	
	5	Additional tonnes of material reprocessed in primary and secondary markets as a result of Covenant-funded projects	
	6	Percentage of signatories with formal processes in place for working with others to improve design and recycling of packaging.	
3	7	Proportion of signatories demonstrating other product stewardship outcomes for packaging	100% of signatories by 2020
	8	Reduction in the number of packaging items in litter	
			Continuous reduction in the number of packaging items in litter



# 2011 - 2015 Action Plan

APC Goal	APC KPI	Action & Objective	Target	Resp	Baseline Data 2009/2010	Timeline
General		Develop and implement an internal audit process to assess our compliance with our commitment to the Australian Packaging Covenant	Assess our performance against the Covenant and ensure that feedback is provided to stakeholders and to encourage a continuous improvement culture with regard to packaging management	APC Team 1		Annually from December 2011
		Establish an Australian Packaging Covenant internal intranet site which will ensure that information required to demonstrate compliance to the Australian Packaging Covenant is recorded and readily available	Encourage business-wide participation in the Covenant whilst ensuring we meet documentation and information audit requirements of the Covenant	APC Team 1		December 2011
		Establish a formal end of year Australian Packaging Covenant meeting to assess our compliance with the Covenant and identify new targeted projects for the next financial year	To have a document process for capturing new initiatives and projects for the Australian Packaging Covenant program, ensuring the Covenant remains a live process	APC Team 1		Annually from December 2011
		Develop and implement training on the Australian Packaging Covenant	To raise the awareness of the Australian Packaging Covenant, its goals and expectations and Sugar Australia's commitment to the Covenant	APC Team 1		December 2011
Design	1, 6	Update the i2m process for new product introductions to reflect the Sustainable Packaging Guidelines which will ensure that new packaging meets the requirements of the guidelines	Ensure that all new products introduced into Sugar Australia meet the expectations of the Sustainable Packaging Guidelines	APC Team 2	Products currently assessed against ECoPP	December 2012
	1, 6	Establish a program for the review of all current packaging against the Sustainable Packaging Guidelines and develop action plans for alignment	Ensuring that all current products meet the expectations of the Sustainable Packaging Guidelines	APC Team 2	No current products assessed against SPG	December 2012



# 2011 - 2015 Action Plan

APC Goal	APC KPI	Action & Objective	Target	Resp	Baseline Data 2009/2010	Timeline
Recycling	4	Develop and implement a formal "buy recycled" policy and investigate the integration of a "buy sustainable" policy.	To support the message of the importance of recycling packaging, Sugar Australia will implement a "buy recycled" policy across office purchasing environments.	APC Team 3	Buy recycled paper option available for purchasing	December 2013
	3, 4	Maintain our commitment to recycling via onsite recovery systems for used packaging at all sites	To demonstrate a 5% reduction in the amount of waste to landfill and to maximise the amount of reuse / recycling.	APC Team 3	Waste to landfill 522 tonnes	December 2013
	3	Develop and implement further improvements in data recording capture methods.	Ensuring that data capture methods are easy and integrated into business systems to ensure accuracy of data and audit preparedness.	APC Team 3	Currently use excel spreadsheet	December 2013
Product Stewardship	7	Integrate the Australian Packaging Covenant goals into the Packaging Supplier performance reviews. Meetings to be expanded to include review of issues associated with packaging and how we can improve downtime faults that generate excess recycling and landfill.	To conduct quarterly Supplier Reviews with our top four packaging contributors (approx 70% packaging). To demonstrate achievement, we will maintain records of meeting minutes for each meeting.	APC Team 4	Supplier reviews for new packaging introductions / packaging reviews for current packaging	December 2014
	8	Review of litter contributing product packaging for more sustainable yet practicable alternatives	To ensure that the potential for packaging to contribute to litter is reduced to practicable levels and ensuring that the litter concepts are integrated into the packaging design phase	APC Team 4	94% of packaging with recycling or disposal information	December 2014
	7	Continue to pursue customer opportunities to distribute product in low packaging options such as containers	To reduce the amount of packaging used by Sugar Australia to minimise our environmental impact whilst providing improved customer service	APC Team 4	Bulk loading accounts for 78% of domestic production	December 2014
	7	Integrate the Australian Packaging Covenant message into the Sugar Australia Sustainability program and community liaison groups	To embed the concepts of the Australian Packaging Covenant into the business processes to ensure ongoing integration of Covenant actions	APC Team 4		December 2014



# Contact Details

If you have any questions or feedback in relation to the Australian Packaging Covenant Action Plan please contact the designated Australian Packaging Covenant officer:

Rachel Howard  
National Safety Health Environment & Quality Manager  
Sugar Australia Pty Ltd

Address: 265 Whitehall St  
Yarraville, VIC 3013  
Phone: (03) 9283 4755  
Fax: (03) 9283 4581  
Email: [rhoward@sugaraustralia.com.au](mailto:rhoward@sugaraustralia.com.au)

