



Signatory Name: Key Pharmaceuticals 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: Complete

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 2014 – 30 June 2015
- Calendar Year: 1 January 2015 – 31 December 2015

8. Was your action plan extended or updated to cover the APC transitional year (01/07/2015 -30/06/2016)?

- Yes
- No

Goal 1: Design

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

9. 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

Sustainable Packaging Review Procedure
SPG Review Checklist for New Packaging Design

10. 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?

49 %

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

Yes No

12. 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

%

13. 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.	All new packaging types to be reviewed against the SPG	No new packaging types were introduced during the reporting period. One new product was added, which we distribute on behalf of the overseas owner therefore had limited influence over packaging design.
2.	Rationalise the range to ensure more economical manufacturing, storage and transportation/distribution, thus increasing sustainability	Manufacture of three skin care products was transferred from Melbourne to Sydney. Additionally we have moved procurement of packaging for one of our products from overseas to local sourcing. Both of these initiatives save on transport of packaging and product prior to distribution. The sunscreen range was rationalised from 18 to 8 products, providing more economical manufacturing, storage and transportation/distribution, thus increasing sustainability.
3.	Review products in accordance with timetable that was established for review of existing products.	Review of products is ongoing. The top 9 brands by sales value have been reviewed. The % of products reviewed has been increased from previous years from: FY12/13 33% FY13/14 46% FY14/15 49%

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

We are the Australian distributor for many overseas owned products therefore our influence to bring change is limited, especially given that Australia is a relatively small market. We are also bound by the requirements of the Therapeutic Goods Administration for all therapeutic products. This means that change of packaging in accordance with the sustainable packaging guideline are difficult.

Goal 2: Recycling

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

15. 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

16. 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.	Continue with on-site recycling systems throughout all facilities	<p>An existing system is in place to ensure the following products are recycled: Cardboard, paper, glass, aluminium and plastic beverage bottles and printer cartridges. Staff members are made aware and encouraged to recycle these items.</p> <p>A new item has been added during the year. Batteries (from personal and business use) are now also recycled. Also, more recyclable printer cartridges are now being used in favour of non-recyclable options.</p> <p>All staff are encouraged to either recycle, shred or re-use paper. Where paper can be re-used (eg the back of printed paper), they are collected and provided to areas that can make use of these. This has reduced the use of new paper.</p> <p>The supplier of printer cartridges was changed in favour of a company that readily supplies and promotes use of recyclable printer cartridges.</p>
2.	Conduct audit of recycling system program for packaging, to determine areas for improvement	Data on the volume of recycled packaging has been received for head office site. We are working on obtaining data for the distribution warehouse at which point in time a full audit will be conducted with results reported.

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

Constraints:
Our current waste system does not measure the amount of material sent to landfill.

Opportunities:
1. Get baseline data for quantities of waste and recycling and set targets to increase recycled material

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

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

- Yes No

Please explain why not

Regulatory requirements do not allow for recycled content for primary packaging of pharmaceutical products.

19. Is this policy actively used?

- Yes No

20. 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.	Purchase secondary and tertiary packaging and stationary with recycled content	Where possible, recycled stationary is purchased. Shipping cartons also use recycled material.

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

Some key areas and opportunities cannot be utilised, for example printers. Printers and company warranty does not allow use of recycled paper due to damage to the machines. Primary packaging is also a significant proportion of packaging purchased by the business, which is restricted due to regulatory requirements.

Goal 3: Product Stewardship

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

22. 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

23. 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.	Review all suppliers to determine and what programs they have in place for recycling and packaging	Review of suppliers is ongoing. Last reporting period shipper suppliers were reviewed. A supplier for primary packaging was reviewed this reporting period. They have a commitment to environmentally responsible manufacturing. Suppliers will continue to be reviewed.

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

Progress on this action is slower than anticipated due to response on these questions not being a priority for our suppliers.

KPI 7: % signatories showing other Product Stewardship outcomes.

25. 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.	Identify other areas of improvement other than packaging and review each for possibility of implementation and timeline for implementation.	A list of areas of improvement has begun but not yet complete. Social corporate responsibility in the past has focused on youth support and medical research but we are now looking at extending that to environmental areas.

26. 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

A new initiative to recycle batteries (from personal and business use) has been introduced.

Also, more recyclable printer cartridges are now being used in favour of non-recyclable options. The supplier of printer cartridges was changed in favour of a company that readily supplies and promotes use of recyclable printer cartridges.

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

We can consider and review the possibility of including Corporate Social Responsibility into the business framework. Key is currently reviewing possibility of involvement in corporate volunteering, with the focus of review for Landcare Australia and Ozharvest. Both companies support the principles of packaging covenant through waste reduction and plant regeneration.

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

28. 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.	Review existing products to ensure that a recycle logo included where appropriate and ensure new products include the logo	This is an ongoing target for update of cartons bearing the recycle logo. The percentage of existing and new cartons with recycle logos are: FY10/11: 79% FY11/12: 82% FY12/13: 87% FY13/14: 88.5% FY14/15: 86.5% The decrease is due to an increase in the number of products for which control over labelling is limited. We have also developed a timetable for review of other components of packaging, that is containers, leaflets, secondary and tertiary packaging.
2.	Regular site clean-up for both sites to prevent litter and leaf matter entering drainage system	Both sites are regularly cleaned as part of ISO quality system requirement

3.	On-site litter reduction strategies for all lunch and smoking areas	<p>All lunch rooms include recycling facilities to reduce litter.</p> <p>Ashtrays are also provided in designated smoking areas which are regularly emptied.</p>
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29. Describe any constraints or opportunities that affected performance under this KPI

Our position in the supply chain is such that it is difficult to assess the impact of our products in the litter stream. Our products are household goods therefore we have little control over how they are disposed of. Since it is possible that our product packaging can enter the litter stream as the result of the end user, where ever possible, we have included the 'please recycle' logo, to encourage responsible disposal.

Key is currently reviewing possibility of involvement in corporate volunteering, with the focus of review for Landcare Australia and Ozharvest. Both companies support the principles of packaging covenant through waste reduction and plant regeneration.

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.

30. Key achievements or good news stories

Key Pharmaceuticals has made significant progress towards ensuring the 'please recycle' logo is placed on all the packaging that can be recycled. Supply of packaging for one product line has moved from overseas to Australia, which has given us more influence on both the packaging and the supplier. The supplier contracted, while not a signatory to APC, are committed to environmentally responsible manufacturing. They have a 'no heavy metals' policy, they recycle 'processing scrap' wherever possible and work with their clients in a partnership to minimise waste. We have now started to recycle batteries and use recycled printer cartridges where possible.

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

We are the Australian distributor of overseas brands for many of the products we supply. This makes it difficult to influence changes, especially given that we are a relatively small market. The most we can do is request packaging and sustainability information however even this can be challenging given it is not always a priority for the supplier. In addition, packaging with recycled content would have a significant impact on meeting the goals of the covenant, however due to regulatory requirements this aspect cannot be met which limits future areas of improvement. The action plan is due to be renewed and it will reflect more realistic goals and targets that can be achieved.