



Signatory Name: Treasury Wine Estates Vintners Limited

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 2013 – 30 June 2014
- Calendar Year: 1 January 2014 – 31 December 2014

8. Please indicate the entire period your accepted APC Action Plan covers (e.g. 2011-2014)

Start Date:

End Date:

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

Our Environment Policy makes provisions for the efficient use of packaging. Integration of the Sustainable Packaging Guidelines into business process are provided for in the SPG Review Procedure, and supporting documents including: The Recyclability Guide, APC SPG Integration and the APC Compliance Checklist. TWE also used PIQET to assess packaging as required, and have adopted the British Retail Consortium (BRC) manufacturing standards.

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?

%

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 period?

%

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.	TWE Ref 1.1 - Establish Supply Chain Work Group (action closed - reported in FY12)	As per FY12 APC Annual Report: A dedicated workgroup was not required - much of the work for the APC was undertaken by Corporate Social Responsibility (CSR) and Procurement or NPD Team directly. Our CEO-led Global CSR Council is the key authority for reviewing all CSR-related initiatives.
2.	TWE Ref 1.2 - Review & finalise current draft SPG assessment protocols	Protocols were being piloted in the modified NPD gate process. As indicated in the FY13 APC Annual Report, team member changes have meant that the completion of this project has been deferred.
3.	TWE Ref 1.3 - Gain business agreement for inclusion of environmental impact assessment of packaging protocol in NPD gate paper process	NPD Gate Paper template has been updated to include references to the Brand Ladder and TWE Star rating which aligns with our PIQET assessment.
4.	TWE Ref 1.4 - Implement environmental impact assessment of packaging tool, across TWE regions globally - phased roll out commencing with Australia.	Assessments have been completed for approximately 90% of existing packaging in Australia and the USA via the utilisation of a Cost of Goods (COGs) competitive set review.
5.	TWE Ref 1.5 - Agree brand ladder breakdown and standard packaging configurations (action closed - reported in FY12)	As per FY12 APC Annual Report: Completed. PIQET assessments have been undertaken for glass bottles and cartonboard. A star rating system, for internal use by the NPD team, has been developed to provide an indication of environmental impact.
6.	TWE Ref 1.6 - Undertake assessments on existing packaging in alignment with brand ladder (action closed - reported in FY12)	As per FY12 APC Annual Report: Completed for Australia - approx. 90% (by weight) of packaging has been assessed.

7.	TWE Ref 1.7 - Calculate impact of previous & planned light weighting initiatives across the TWE portfolio	As reported in our FY12 APC Annual Report, current systems did not preserve historical data. We have put in place a system for tracking light weighting initiatives going forward. Progress against this is reported under KPI6.
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14. Describe any constraints or opportunities that affected performance under this KPI

TWE has undergone a period of organisational change and transformation in recent years; is undertaking a number of efficiency initiatives; and responded to other market challenges including acquisition proposals. These factors have all impacted on TWEs ability to fulfil some of its commitments under its APC action plan.

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.	TWE Ref 2.1 - Undertake on-site waste stream assessments using the Waste Management Toolkit for ANZ production sites (action completed - as reported in FY12)	As per FY12 APC Annual Report: Completed. Our production sites recycle over 10 different types of wastes including organic materials, glass, plastics, cartonboard, aluminium, batteries and lights. Waste management is also included within our internal Health, Safety & Environment Management System against which sites are audited annually.
2.	TWE Ref 2.2 - Implement waste reduction & recycling projects identified as a result of the assessment	As a result of the assessment and annual audits, we have seen waste to recycling improvements year on year for 4 consecutive financial years. In FY11 the rate was 93.5%, to FY14, during which the waste to recycling rate was 96.02%.
3.	TWE Ref 2.3 - Undertake baseline assessment of waste management & recycling practices in non-production locations including offices and cellar doors	All employees are committed to understanding and minimising our impact on the environment through the company's Environment Policy, authored by the Chairman and the CEO. To assist employees in this practise, main offices provide a commingled recycling service; recycling messages are included in employee induction materials and double-sided swipe-activated printing has been introduced.
4.	TWE Ref 2.4 - Implement waste reduction & recycling projects identified as a result of the assessment.	As a result of the assessment and annual audits, we have seen waste to recycling improvements year on year for 4 consecutive financial years. Our production sites recycle over 10 different types of wastes; main offices provide commingled recycling and double sided printing; and all employees are committed to our Environment Policy.

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

By volume, our waste generated from non-production sites remains minimal. Consequently, our focus is on continuing to increase our waste to recycling rate in our production facilities, covering wineries, vineyards and packaging facilities.

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

TWE does not have a stand-alone policy specifically addressing the purchase of products made from recycled packaging. We include the intent within relevant existing processes. Our commitment to resource efficiency and waste minimisation is noted in our Environment Policy, which was updated and re-committed to in March 2014. Our packaging procurement processes and our Brand Ladder assessment processes also take in to account our commitment to resource efficiency and waste minimisation. It is our objective to embed such decisions in day to day business operation as opposed to having a non-integrated stand alone policy.

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.	TWE Ref 3.1 - Continue periodic tracking & reporting on recycled content of glass and carton-board packaging	Our packaging assessments to date indicate that recycled content is present in both our glass packaging and our cartonboard. This varies year on year and by glass bottle type and cartonboard grades - but generally glass contains in the order of 45% recycled content, with cartonboard in the order of 80%.
2.	TWE Ref 3.2 - Undertake a baseline review of recycled content specifications in current relevant contracts	Our commitment to using recycled materials is balanced with a 'fit for purpose' packaging requirement ensuring the product integrity and quality is preserved. Recycled content is present in our glass and cartonboard which is the bulk of our packaging.
3.	TWE Ref 3.3 - Include preference for recycled content materials in relevant tenders and contracts.	Our Environment Policy states our commitment to minimising waste and maximising recycling where possible. This policy should be complied with by all contractors, employees and visitors to our sites. Our commitment to using recycled materials is balanced with a 'fit for purpose' packaging requirement ensuring the product integrity and quality is preserved.

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

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

Provide details of policies and procedures (including names of policies/ procedures)

TWE have an internal group Procure to Pay policy which states; "In the selection and dealings with suppliers TWE focuses on value for money based on analysis of the Total Cost of Ownership (TCO); such as acquisition, quality, service, maintenance, disposal, return on investment, performance, corporate responsibility and sustainability."

In addition, the following policies exist which are publicly available;

- Code of Conduct Policy
- Environment Policy
- Occupational Health and Safety Policy
- Responsible Procurement Code
- Risk & Assurance Framework

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.	TWE Ref 4.1 - Include signatory status to the APC in supplier assessment tools (action completed - as per FY12 APC Annual report)	Completed. We include signatory status to the APC in our supplier pre-qualification criteria.
2.	TWE Ref 4.2 - Include packaging reduction opportunities in Supplier Review Meetings (where applicable)	The glass light weighting project initiated in FY13 was completed in FY14, with all SKUs targeted for lighter weight glass bottles having been transitioned.

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

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.	Performance against our FY14 CSR targets and objectives are detailed in our FY14 Annual Report	Refer to TWE website.

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

- Published Global Corporate Social Responsibility (CSR) Strategy, published progress against FY14 CSR Objectives & Targets for FY15 in the FY14 Annual Report - (see TWE website)
- Maintained Global CSR Council, chaired by the CEO
- Re-committed to a company Environment Policy, authored by the Chairman and the CEO
- Maintained 100% 3rd party sustainable certification for wineries & vineyards in Australia, New Zealand and California.
- Achieved certification under Magis, for estate production in our winery in Italy.
- Founding member of the Retailer and Supplier Roundtable - Sustainability Council
- Adopted the British Retail Consortium manufacturing standards
- Continued to see an increase in employee's volunteering participation rate
- Continued to see improvements in employee safety, with reductions in LTIFR and RCIFR
- Introduced a new local procurement code which aims to create shared value for the local communities which impact, and are impacted by our operations

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

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.	TWE Ref 4.3 - Review consumer facing messages to further promote packaging recycling & disposal practices (action completed - as reported in FY12)	As per FY12 APC Annual Report: TWE includes the recycling logo "mobius loop" on all Australian label and carton artwork encouraging recycling of packaging by consumers.
2.	TWE Ref 5.1 - Undertake a review of current TWE event guidelines with respect to waste management, recycling and litter prevention	Action deferred. Events are largely held in venues with existing waste management and recycling practices.
3.	TWE Ref 5.2 - Identify areas of improvement regarding event and waste/litter management	Action deferred. Events are largely held in venues with existing waste management and recycling practices.

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

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

- Recent focuses have been on efficient use of packaging materials and reduction of waste, particularly Lightweight Glass. As part of that process, all mainstream brands have been reviewed and “lighter weight” options assessed and all intended SKUs targeted for light weight glass bottles have been transitioned.
- Global improvements include that our Italian production site, Gabbiano, was certified under Magis in 2014 for estate production since 2013. This means that all of our estate production, across four countries, is independently certified.

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

TWE has undergone a period of organisational change and transformation in recent years; is undertaking a number of efficiency initiatives; and responded to other market challenges including acquisition proposals. These factors have all impacted on TWEs ability to fulfil some of its commitments under its APC action plan. In addition, the need to deliver profits to shareholders and the costs of using Australian sourced packaging has at times constrained our achievements.