

APCO Performance Summary

Company Name: **Regal Cream Products Pty Ltd**

Trading As: **Bulla Dairy Foods**

ABN: **11005144481**

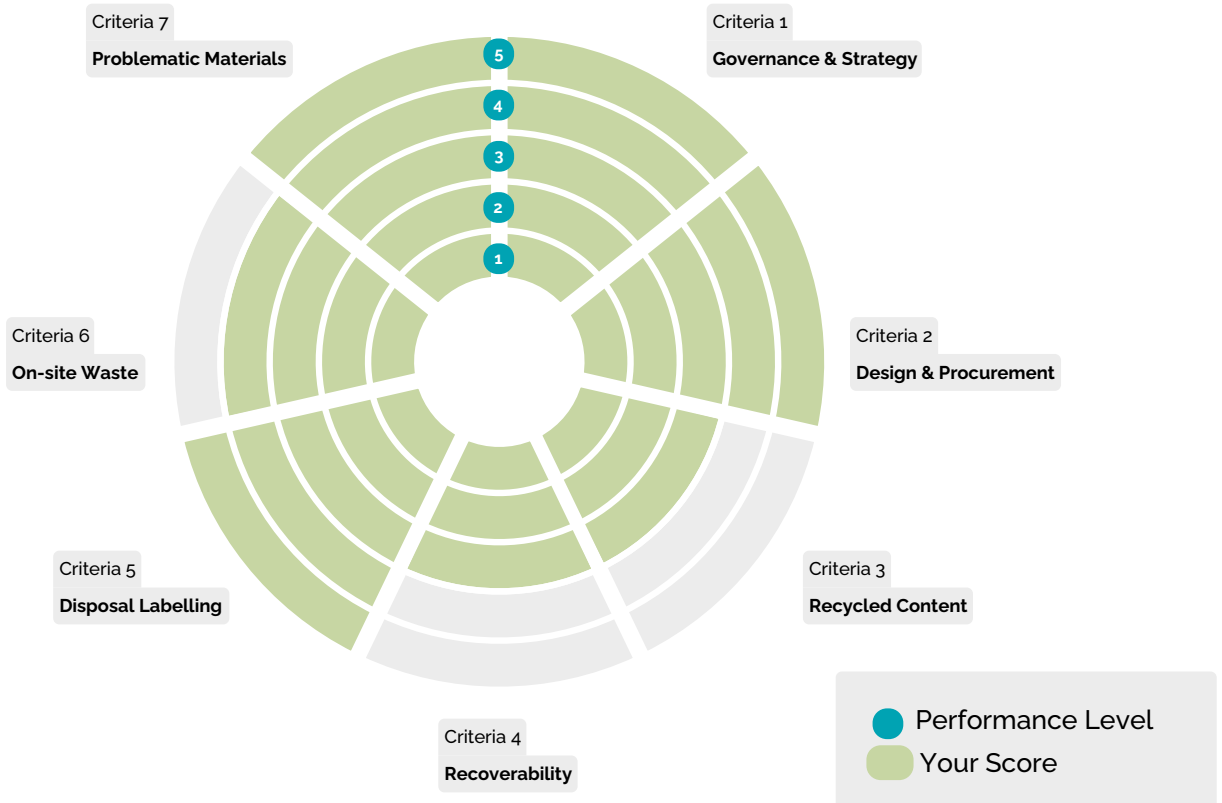
Overall Performance 73% - Leading

The score above and chart below indicate your organisation's overall performance in the 2024 APCO Annual Report. With your chosen reporting period of January, 2023 - December, 2023 you have achieved a **Leading** overall performance level.

1 Getting Started 2 Good Progress 3 Advanced 4 **Leading** 5 Beyond Best Practice

Criteria Performance Levels

The chart below indicates your organisation's performance against each of the Packaging Sustainability Framework criteria in the 2024 APCO Annual Report. Each band represents a performance level with the green indicating your level of performance for each.



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About APCO Annual Reporting

Understanding APCO Annual Reporting performance levels:

- 1 Getting Started:** You are at the start of your packaging sustainability journey.
- 2 Good Progress:** You have made some first steps on your packaging sustainability journey.
- 3 Advanced:** You have taken tangible action on your packaging sustainability journey.
- 4 Leading:** You have made significant progress on your packaging sustainability journey.
- 5 Beyond Best Practice:** You have received the highest performance level and have made significant progress on your packaging sustainability journey.

Packaging Sustainability Framework criteria

Criteria 1: Governance & Strategy	This criteria considers actions to integrate packaging sustainability into business strategies.
Criteria 2: Design & Procurement	This criteria considers actions taken to ensure that sustainability principles are considered in the design or procurement of both new and existing packaging through use of the Sustainable Packaging Guidelines (SPGs).
Criteria 3: Recycled Content	This criteria considers actions taken to increase or optimise the amount of recycled material used by your organisation.
Criteria 4: Recoverability	This criteria considers actions taken to improve the recovery of packaging at end-of-life and increase use of reusable packaging.
Criteria 5: Disposal Labelling	This criteria considers the extent to which packaging has been labelled to help consumers determine what to do with packaging at end-of-life.
Criteria 6: On-site Waste	This criteria considers progress in increasing the amount of on-site solid waste being diverted from landfill.
Criteria 7: Problematic Materials	This criteria considers the extent to which organisations are actively phasing out problematic and unnecessary single-use plastic packaging and preventing/reducing litter.

APCO Annual Report Criteria Performance & Responses

Provided below are your organisation's responses to the questions within the APCO Annual Report as well as a performance level for each criteria.

Criteria 1:

Governance & Strategy: 5 Beyond Best Practice

1 Getting Started 2 Good Progress 3 Advanced 4 Leading 5 Beyond Best Practice

Does your organisation have a documented strategy that includes goals (objectives) and targets for packaging sustainability that addresses the Sustainable Packaging Guidelines (SPGs) or equivalent?

☒ Yes ☐ No

Does your organisation's strategy include a commitment to achieving the 2025 National Packaging Targets?

☒ Yes ☐ No

Is this strategy integrated within your business processes and has it been approved by an executive or board of directors?

☒ Yes ☐ No

Do you regularly communicate and promote packaging sustainability objectives and targets within your organisation?

☒ Yes ☐ No

Do you regularly engage or communicate with external stakeholders (suppliers, final consumers, community groups etc.) about the environmental impacts of your packaging?

☒ Yes ☐ No

Do you actively participate in any other initiatives to promote packaging sustainability outside of your organisation?

☒ Yes ☐ No

Supporting Evidence

In 2022, Bulla developed our sustainability strategy, this was approved in March 23 by the Board of Directors. The Strategy has allowed us to work on the key material issues defined by our key stakeholders through the materiality assessment. The top three environmental material topics within the Bulla Sustainability Strategy are Sustainable Packaging, Food Waste and Action on Climate Change. The

Your full response can be found towards the end of this document.

Criteria 2:

Design & Procurement: 5 Beyond Best Practice

1 Getting Started 2 Good Progress 3 Advanced 4 Leading 5 Beyond Best Practice

How many of your 123 SKUs have had their packaging reviewed against the Sustainable Packaging Guidelines (or equivalent) in the last 5 years?

123

Please indicate the accuracy of this response.

Medium

Do you require your suppliers to use the Sustainable Packaging Guidelines (SPGs) or equivalent for your packaging?

☐ Yes ☒ No ☐ N/A

Please tell us about any positive outcomes from your packaging reviews.

Ice cream sticks utilised in Bulla's everyday single-serve range of ice cream products measure 113mm in length. Collaborating closely with our supplier, we identified an opportunity to downgauge by transitioning to a 93mm stick, therefore reducing the amount of wood used by 17.6%. In the latter half of 2022, Bulla initiated preliminary trials to confirm the viability of the shorter ice cream stick for these products. The transition posed considerable challenges in setting up the machinery and procedures to accommodate the

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Do you believe applying the SPGs delivers business value to your organisation?

☒ Yes ☐ No

Which of the following Sustainable Packaging Principles have been considered in reviews of your organisation's packaging against the Sustainable Packaging Guidelines (SPGs)?

Design for recovery

☒ Yes ☐ No

Optimise material efficiency

☒ Yes ☐ No

Design to reduce product waste

☒ Yes ☐ No

Eliminate hazardous materials

☒ Yes ☐ No

Use of renewable materials

☒ Yes ☐ No

Use recycled materials

☒ Yes ☐ No

Design to minimise litter

☒ Yes ☐ No

Design for transport efficiency

☒ Yes ☐ No

Design for accessibility

☐ Yes ☒ No

Provide consumer information on environmental sustainability

☒ Yes ☐ No

How many of the 123 SKUs have packaging that has been optimised for material efficiency in the last 5 years?

123

Please indicate the accuracy of this response.

Medium

If yes, please tell us about any material savings you have made.

The work completed in 2021 and 2022 resulted in zero problematic packaging across the Bulla product range. In 2021 Bulla commenced moving away from Polystyrene, through transitioning to Paperboard for frozen cups product category and Polypropylene and PET for chilled cup product categories which resulted in eliminating 107 tonnes of problematic packaging and therefore transitioning 2 product categories which were previously not recyclable to recyclable, leaving 1 product category to transition. A solution for the final

Your full response can be found towards the end of this document.

Supporting Evidence

The work completed in 2021 and 2022 resulted in zero problematic packaging across the Bulla product range. In 2021 Bulla commenced moving away from Polystyrene, through transitioning to Paperboard for frozen cups product category and Polypropylene and PET for chilled cup product categories which resulted in eliminating 107 Tonnes of problematic packaging and therefore transitioning 2 product categories which were previously not recyclable to recyclable, leaving 1 product category to transition. A solution for the final

Your full response can be found towards the end of this document.

Criteria 3:

Recycled Content: 3 Advanced

1 Getting Started

2 Good Progress

3 Advanced

4 Leading

5 Beyond Best Practice

Do you have a policy or procedure to buy products and/or packaging made from recycled materials?

☒ Yes ☐ No

Which of the following products that you either purchase or sell contain recycled materials?

- ☐ Primary packaging that you use to sell your products
- ☒ Secondary packaging that you use to sell your products
- ☐ Tertiary Packaging that you use to sell your packaging
- ☐ Your products
- ☐ Other items which you purchase
(e.g. office stationary & supplies, building materials such a bollards etc.)
- ☐ None of the above

How many 123 SKUs has at least some packaging that is made from recycled material?

39

Please indicate the accuracy of this response.

Medium

If you do not currently use recycled materials in any of your packaging, please indicate why:

- ☐ Cannot find a supplier who provides recycled materials
- ☒ We cannot use recycled materials in contact with our product
- ☐ Cost is prohibitive
- ☒ Other (please specify)

Please specify

Currently, cardboard outers consumed by Bulla contain 50% recycled content, we are working with suppliers to find food-grade primary packaging that will meet our food safety standards. After successfully downgauging pallet stretch wrap from 23um to 15um in 2022 and eliminating approximately 21 tonnes of plastic in our B2B system in 2023, Bulla commenced testing pallet stretch film

Your full response can be found towards the end of this document.

- ☐ None of the above

Supporting Evidence

Bulla Sustainability Strategy, Responsible Sourcing Policy, Packaging Assessment Spreadsheet 2023.

Criteria 4:

Recoverability: 3 Advanced

1 Getting Started

2 Good Progress

3 Advanced

4 Leading

5 Beyond Best Practice

How many of your 123 SKUs have all packaging components that are recoverable (i.e. recyclable or compostable) at end-of-life?

100

Please indicate the accuracy of this response.

High

How many of your 123 SKUs have separable components with mixed recoverability at end-of-life? (e.g. a jar that is recyclable with a lid that is not recyclable)

0

Please indicate the accuracy of this response.

High

How many of your 123 SKUs have been assessed in the Packaging Recyclability Evaluation Portal (PREP)?

123

If you use compostable packaging, please indicate the type(s) of compostable certification (if any):

- ☐ Certified home compostable (AS5810)?
- ☐ Certified industrial compostable (AS4736)?
- ☐ Certified compostable to another certification (i.e. not AS5810 or AS4736)?
- ☒ Compostable (not certified)?
- ☐ None of the above

How many of your 123 SKUs are not recoverable at end-of-life and must go to landfill? (i.e. not recyclable or compostable)

23

Have you investigated if there are any opportunities to use reusable packaging?

☐ Yes ☒ No

If yes, how many of your 123 SKUs have packaging for which all components are reusable?

Please give an indication on the accuracy of this response.

Which of the following reusable business to business items did your organisation utilise during the previous 12 month period?

- ☒ Pallets
- ☐ Crates
- ☒ Drums
- ☒ Intermediate Bulk Containers (IBCs)
- ☒ Other (please specify)

Please specify

Bulla participates in the Loscam pallet return system as well as the VIP plastic pallet return system. All chemical drums and IBCs are returned for reuse. Ink cartridges are recycled. Where appropriate, reusable pallets are used for ingredient supply.

- ☐ None of the above

Tick all that apply - Was this reused:

Internally (between your organisation's sites & facilities)?

Externally (with other organisations such as suppliers or customers)?

Pallets	<input checked="" type="radio"/> Internal	<input checked="" type="radio"/> External
Crates	<input type="radio"/> Internal	<input type="radio"/> External
Drums	<input type="radio"/> Internal	<input checked="" type="radio"/> External
Intermediate Bulk Containers (IBCs)	<input checked="" type="radio"/> Internal	<input checked="" type="radio"/> External
Other (specified above)	<input type="radio"/> Internal	<input checked="" type="radio"/> External

Does your organisation participate in any of the following closed-loop recovery programs/alternative collection systems for your packaging?

- ☐ Big Bag Recovery
- ☐ Terracycle
- ☐ Container Deposit Scheme (CDS)
- ☐ DrumMUSTER
- ☒ Other (please specify)

Please specify

Understanding that Australia needs to reduce the amount of soft plastic going to landfill and reduce the reliance on virgin plastics, Bulla partnered with the Australian Food and Grocery Council (AFGC) to support the National Plastics Recycling Scheme (NPRS), this is an industry-led scheme that will increase soft plastic recycling rates by transforming soft plastics back into food-grade packaging. The NPRS will facilitate a new re-manufacturing industry and enable Australia to build an advanced recycling infrastructure.

Your full response can be found towards the end of this document.

- ☐ N/A (All our packaging is recovered through mainstream recovery systems)
- ☐ None of the above

Supporting Evidence

PREP Reports, PREP summary. Supplier dockets.

Criteria 5:

Disposal Labelling: 5 Beyond Best Practice

1 Getting Started

2 Good Progress

3 Advanced

4 Leading

5 Beyond Best Practice

How many of your 123 SKUs have labelling on-pack to inform the consumer of how to correctly dispose of the packaging?

123

Please indicate the accuracy of this response.

High

Which of the following labels does your company presently use?

- ☒ Australasian Recycling Label
- ☐ Mobius Loop/Recycling symbol
- ☐ Tidy man
- ☐ Written instructions
- ☐ Other (please specify)

Please specify

100% of Bulla packaging contains ARLs. Further to this the Bulla Website includes a section which informs consumers of our commitment to ensuring we meet the 2025 target of 100% Recyclable, Reusable or Compostable. The information in the 'Packaging' section on the Bulla Dairy Foods website explains that Bulla has been a voluntary signatory to the Australian Packaging Covenant since 2010 and includes links to the APCO website and the Bulla Annual Reports and Action Plan. To help increase consumer awareness on

Your full response can be found towards the end of this document.

- ☐ None of the above

Supporting Evidence

PREP Reports, PREP summary. Packaging Assessment 2023

Criteria 6:

On-site Waste: 4 Leading

1 Getting Started

2 Good Progress

3 Advanced

4 Leading

5 Beyond Best Practice

Tick which of the following packaging materials you have on-site recycling programs for:

- ☒ Paper/cardboard
- ☐ Soft plastics
- ☒ Rigid plastics
- ☐ Timber
- ☐ Textiles
- ☐ Glass
- ☒ Metals
- ☒ Other (please specify)

Please specify

In 2023, one of our priorities was to update the waste management procedure for all sites across Bulla and continue to find opportunities to divert waste from landfill. Although we had options available to divert waste from landfill at our manufacturing facilities, our office spaces did not provide enough segregation options for staff, so waste stations were created. All of the landfill bins from each desk were removed, and staff were educated on the different waste streams. We found that when there is a landfill bin under each

Your full response can be found towards the end of this document.

- ☐ All materials have recycling programs
- ☐ None of the above

Over the reporting period, how much of the waste your organisation generated on-site was diverted from landfill (was recycled, composted, reused or sent for energy recovery)?

88%

Please indicate the accuracy of this response.

Medium

Which of the following facilities are included in the above waste data?

- ☒ Offices
- ☒ Warehouses
- ☐ Stores

- ☒ Manufacturing Facilities
- ☐ Other (please specify)

Please specify

2023 Waste figure includes the volume of waste sent to landfill, composted, donated or recycled. It does not include the absolute total volume of cardboard and plastic waste collected for recycling from all sites,

Your full response can be found towards the end of this document.

- ☐ None of the above

Supporting Evidence

Bulla Environment Master Data, Invoices.

Criteria 7:

Problematic Materials: **5** Beyond Best Practice

1 Getting Started | 2 Good Progress | 3 Advanced | 4 Leading | 5 Beyond Best Practice

Over the reporting period, which of the following activities did you undertake to help reduce the impact of litter?

- ☐ Conduct regular clean ups
- ☐ Participate in Business Clean Up Day
- ☐ Sponsor a clean up day
- ☐ Undertook a litter education campaign
- ☐ Other (please specify)

Please specify

- ☒ None of the above

Please indicate which of the following problematic, unnecessary and single-use plastic packaging formats or materials your organisation has used over the last five years.

- ☐ Lightweight plastic shopping bags
- ☐ Fragmentable (e.g. oxo-degradable) plastics
- ☐ Expanded polystyrene (EPS) packaging for food and beverage service or retail fresh produce
- ☐ EPS loose fill packaging
- ☐ Moulded EPS packaging for white/brown goods or electronics
- ☐ Rigid polyvinyl chloride (PVC) packaging
- ☒ Rigid polystyrene (PS) packaging
- ☐ Opaque polyethylene terephthalate (PET) bottles
- ☐ Rigid plastic packaging with carbon black
- ☐ None of the above

Please indicate which of the following problematic, unnecessary or single-use plastic packaging formats or materials your organisation is actively working to phase out?

- ☐ Lightweight plastic shopping bags
- ☐ Fragmentable (e.g. oxo-degradable) plastics
- ☐ Expanded polystyrene (EPS) packaging for food and beverage service or retail fresh produce
- ☐ EPS loose fill packaging
- ☐ Moulded EPS packaging for white/brown goods or electronics
- ☐ Rigid polyvinyl chloride (PVC) packaging
- ☐ Rigid polystyrene (PS) packaging
- ☐ Opaque polyethylene terephthalate (PET) bottles
- ☐ Rigid plastic packaging with carbon black
- ☒ None of the above

Have you successfully phased out any of the above packaging formats or materials in the last 5 years?

- ☐ Lightweight plastic shopping bags
- ☐ Fragmentable (e.g. oxo-degradable) plastics
- ☐ Expanded polystyrene (EPS) packaging for food and beverage service or retail fresh produce
- ☐ EPS loose fill packaging
- ☐ Moulded EPS packaging for white/brown goods or electronics
- ☐ Rigid polyvinyl chloride (PVC) packaging
- ☒ Rigid polystyrene (PS) packaging

- ☐ Opaque polyethylene terephthalate (PET) bottles
- ☐ Rigid plastic packaging with carbon black
- ☐ None of the above

Supporting Evidence

The work completed in 2021 and 2022 resulted in zero problematic packaging across the Bulla product range. In 2021 Bulla commenced moving away from Polystyrene, through transitioning to Paperboard for frozen cups product category and Polypropylene and PET for chilled cup product categories which resulted in eliminating 107 tonnes of problematic packaging and therefore transitioning 2 product categories which were previously not recyclable to recyclable, leaving 1 product category to transition. A solution for the final

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Additional Information

- ☒ No additional information

Please use the space below to provide your feedback on your experience with this Annual Report

Describe initiatives, processes or practices that you have implemented during your chosen reporting period that have improved packaging sustainability

Describe any opportunities or constraints that affected performance within your chosen reporting period

Please use the space below to provide examples or case studies of exemplary packaging sustainability conducted by your organisation. The information provided in the boxes may be used directly in your public facing Annual Report and Action Plan. Submitted case studies might be used by APCO in the future to support other Members in achieving packaging sustainability.

Full Open Responses

Criteria 1 - Supporting Evidence

In 2022, Bulla developed our sustainability strategy, this was approved in March 23 by the Board of Directors. The Strategy has allowed us to work on the key material issues defined by our key stakeholders through the materiality assessment. The top three environmental material topics within the Bulla Sustainability Strategy are Sustainable Packaging, Food Waste and Action on Climate Change. The Sustainable Packaging Target remains in line with the National Target of 100% recyclable, compostable or reusable by 2025. As we progressed to implement initiatives in the reporting period, we:

- Focused on ensuring that 100% of retail packaging contains the ARLs and proudly completed this in 2023.
- Understanding that Australia needs to reduce the amount of soft plastic going to landfill and reduce the reliance on virgin plastics, Bulla partnered with the Australian Food and Grocery Council (AFGC) to support the National Plastics Recycling Scheme (NPRS), this is an industry-led scheme that will increase soft plastic recycling rates by transforming soft plastics back into food-grade packaging. The NPRS will facilitate a new re-manufacturing industry and enable Australia to build an advanced recycling infrastructure.
- Commenced communicating the Sustainability Strategy refresh across all departments and sites at Bulla as well as to our customers to increase understanding of our commitment, targets and initiatives.

The Bulla Sustainable Packaging Committee met monthly during the reporting period to drive packaging projects aligned with our targets. The committee consists of a cross functional team including heads of Procurement, Quality, Operations, R&D, Marketing and Sustainability.

Bulla is an active participant of the Dairy Australia Sustainable Packaging Working Group, a subcommittee of the Dairy Manufacturers Sustainability Council. This group is actively collaborating to improve packaging sustainability outcomes across the dairy sector, through the development of the Dairy Australia Packaging RoadMap, to ensure the 2025 national packaging targets are met.

Bulla also participated in the development of the Dairy Sector Food Waste Action Plan. This is the Australian dairy industry's response to the Australian Federal Government's goal of halving food waste by 2030. Food waste from the dairy supply chain has previously been identified as one of the six highest Australian food waste sources. The Action Plan reflects the Australian dairy industry's commitment to sustainable practices, including reducing waste, which is highlighted in the Australian Dairy Sustainability Framework. The result of this collective action is the Dairy Food Waste Action Plan, which Dairy Australia

has developed in partnership with the Australian Dairy Products Federation, Stop Food Waste Australia, input from Dairy Manufacturers Sustainability Council members and other dairy companies, and with support from Sustainability Victoria. Its development has increased transparency of dairy food waste across the supply chain, and it provides a pathway for the industry to tackle this waste challenge collaboratively. During the reporting period, Bulla commissioned Edge Impact to carry out a gap analysis on our responsible sourcing policies and procedures to evaluate existing plans, processes, and capabilities against the Sustainable Procurement - Guidance ISO 20400: 2017 standard to identify areas of risk and find opportunities for improvement. It was found that there are possibilities to optimise existing processes and adopt a responsible sourcing approach for crucial categories including packaging, which would help fulfil ESG standards and meet customer demands. This information will be utilised to build a responsible sourcing framework in 2024 which will cover six core subjects; Human Rights, Labour Practices, The Environment, Fair Operating Practices, Consumer Issues and Community involvement and Development.

Criteria 2 - Supporting Evidence

The work completed in 2021 and 2022 resulted in zero problematic packaging across the Bulla product range. In 2021 Bulla commenced moving away from Polystyrene, through transitioning to Paperboard for frozen cups product category and Polypropylene and PET for chilled cup product categories which resulted in eliminating 107 Tonnes of problematic packaging and therefore transitioning 2 product categories which were previously not recyclable to recyclable, leaving 1 product category to transition. A solution for the final product category was sourced and passed all Bulla trialling and testing and was fully implemented in 2022, resulting in zero polystyrene within our packaging range. Ice cream sticks utilised in Bulla's everyday single-serve range of ice cream products measure 113mm in length. Collaborating closely with our supplier, we identified an opportunity to downgauge by transitioning to a 93mm stick, therefore reducing the amount of wood used by 17.6%. In the latter half of 2022, Bulla initiated preliminary trials to confirm the viability of the shorter ice cream stick for these products. The transition posed considerable challenges in setting up the machinery and procedures to accommodate the new sticks. Through continued efforts, Bulla successfully integrated the new sticks into its production processes, avoiding the use of 60 tonnes of wood in 2023. Bulla continues exploring further opportunities for the possibility of embedding the stick 20mm deeper into the ice cream to enable a reduction in packaging material in the future. This initiative commenced during the reporting period and is presenting significant challenges and capital investments, research continues. After successfully downgauging pallet stretch wrap from 23um to 15um in 2022 and eliminating approximately 21 tonnes of plastic in our B2B system in 2023, Bulla commenced testing pallet stretch film with 30% recycled content. Slight adjustments to the machine settings were carried out, and initially, it was found that there was no difference in the performance of the 15um virgin plastic stretch film. So, we conducted a small-scale trial followed by a transportation trial using a stretch film at 15um with 30% PCR which would have the potential to reduce virgin plastic by 14 Tonnes per annum; however, unfortunately, the trial was not successful as the end of wrap would not adhere to the pallet load in the refrigerated environment. We contacted our supplier to investigate the root cause. However, they could not provide any technical reasons since the wrap was commercialised to be used at ambient temperature. Bulla continues to seek alternative suppliers that can supply stretch film with PCR proven to be used in chilled and freezing conditions.

Criteria 2 - Please tell us about any positive outcomes from your packaging reviews.

Ice cream sticks utilised in Bulla's everyday single-serve range of ice cream products measure 113mm in

length. Collaborating closely with our supplier, we identified an opportunity to downgauge by transitioning to a 93mm stick, therefore reducing the amount of wood used by 17.6%. In the latter half of 2022, Bulla initiated preliminary trials to confirm the viability of the shorter ice cream stick for these products. The transition posed considerable challenges in setting up the machinery and procedures to accommodate the new sticks. Through continued efforts, Bulla successfully integrated the new sticks into its production processes, avoiding the use of 60 tonnes of wood in 2023. Bulla continues exploring further opportunities for the possibility of embedding the stick 20mm deeper into the ice cream to enable a reduction in packaging material in the future. This initiative commenced during the reporting period and is presenting significant challenges and capital investments, research continues. After successfully downgauging pallet stretch wrap from 23um to 15um in 2022 and eliminating approximately 21 tonnes of plastic in our B2B system in 2023, Bulla commenced testing pallet stretch film with 30% recycled content. Slight adjustments to the machine settings were carried out, and initially, it was found that there was no difference in the performance of the 15um virgin plastic stretch film. So, we conducted a small-scale trial followed by a transportation trial using a stretch film at 15um with 30% PCR which would have the potential to reduce virgin plastic by 14 tonnes per annum; however, unfortunately, the trial was not successful as the end of wrap would not adhere to the pallet load in the refrigerated environment. We contacted our supplier to investigate the root cause. However, they could not provide any technical reasons since the wrap was commercialised to be used at ambient temperature. Bulla continues to seek alternative suppliers that can supply stretch film with PRC proven to be used in chilled and freezing conditions.

Criteria 2 - If yes, please tell us about any material savings you have made.

The work completed in 2021 and 2022 resulted in zero problematic packaging across the Bulla product range. In 2021 Bulla commenced moving away from Polystyrene, through transitioning to Paperboard for frozen cups product category and Polypropylene and PET for chilled cup product categories which resulted in eliminating 107 tonnes of problematic packaging and therefore transitioning 2 product categories which were previously not recyclable to recyclable, leaving 1 product category to transition. A solution for the final product category was sourced and passed all Bulla trialling and testing and was fully implemented in 2022, resulting in zero polystyrene within our packaging range. Ice cream sticks utilised in Bulla's everyday single-serve range of ice cream products measure 113mm in length. Collaborating closely with our supplier, we identified an opportunity to downgauge by transitioning to a 93mm stick, therefore reducing the amount of wood used by 17.6%. In the latter half of 2022, Bulla initiated preliminary trials to confirm the viability of the shorter ice cream stick for these products. The transition posed considerable challenges in setting up the machinery and procedures to accommodate the new sticks. Through continued efforts, Bulla successfully integrated the new sticks into its production processes, avoiding the use of 60 tonnes of wood in 2023. Bulla continues exploring further opportunities for the possibility of embedding the stick 20mm deeper into the ice cream to enable a reduction in packaging material in the future. This initiative commenced during the reporting period and is presenting significant challenges and capital investments, research continues. After successfully downgauging pallet stretch wrap from 23um to 15um in 2022 and eliminating approximately 21 tonnes of plastic in our B2B system in 2023, Bulla commenced testing pallet stretch film with 30% recycled content. Slight adjustments to the machine settings were carried out, and initially, it was found that there was no difference in the performance of the 15um virgin plastic stretch film. So, we conducted a small-scale trial followed by a transportation trial using a stretch film at 15um with 30% PCR which would have the potential to reduce virgin plastic by 14 tonnes per annum; however, unfortunately, the trial was not successful as the end of wrap would not adhere to the pallet load in the refrigerated environment. We contacted our supplier to investigate the root cause. However, they could not provide any technical reasons since the wrap was commercialised to be used at ambient temperature. Bulla continues

to seek alternative suppliers that can supply stretch film with PRC proven to be used in chilled and freezing conditions.

Criteria 3 - Please specify

Currently, cardboard outers consumed by Bulla contain 50% recycled content, we are working with suppliers to find food-grade primary packaging that will meet our food safety standards. After successfully downgauging pallet stretch wrap from 23um to 15um in 2022 and eliminating approximately 21 tonnes of plastic in our B2B system in 2023, Bulla commenced testing pallet stretch film with 30% recycled content. Slight adjustments to the machine settings were carried out, and initially, it was found that there was no difference in the performance of the 15um virgin plastic stretch film. So, we conducted a small-scale trial followed by a transportation trial using a stretch film at 15um with 30% PCR which would have the potential to reduce virgin plastic by 14 tonnes per annum; however, unfortunately, the trial was not successful as the end of wrap would not adhere to the pallet load in the refrigerated environment. We contacted our supplier to investigate the root cause. However, they could not provide any technical reasons since the wrap was commercialised to be used at ambient temperature. Bulla continues to seek alternative suppliers that can supply stretch film with PRC proven to be used in chilled and freezing conditions.

Criteria 4 - Please specify

Understanding that Australia needs to reduce the amount of soft plastic going to landfill and reduce the reliance on virgin plastics, Bulla partnered with the Australian Food and Grocery Council (AFGC) to support the National Plastics Recycling Scheme (NPRS), this is an industry-led scheme that will increase soft plastic recycling rates by transforming soft plastics back into food-grade packaging. The NPRS will facilitate a new re-manufacturing industry and enable Australia to build an advanced recycling infrastructure. In 2023, to increase understanding and awareness, Bulla invested in sending three Sustainable Packaging Committee members to visit a MRF and processing facility site in Smithfield, NSW. The team saw how the process begins when the household recycling bins are collected and the contents are transported to the MRF (Material Recovery Facility). At the MRF, there is a combination of manual handling and automated processes to sort the materials into groups such as cardboard and paper, plastics, metals and landfill for items that are unable to be recycled. The manual component of the process is to remove the obvious and larger contaminants from the waste stream. AI-automated machines then complete the rest of the process by detecting and sorting into relevant waste streams. Once the materials have been sorted, it is compacted and baled in preparation for further processing and remanufacturing. It was impressive to learn that 80% of contents that arrive at the VISY Smithfield site via the kerbside recycling bins are remanufactured into new products. The VISY plastic recycling plant at Smithfield has undergone a major upgrade to enable food-grade plastic recycling capability. It was great to see the plastic that had been sorted and baled from the MRF, then cleaned and processed into food-grade flakes and pellets. This plastic content is then re-manufactured back into packaging such as Australia's first 50% recycled content milk bottle. There is currently not enough demand in Australia to match the supply of recycled food-grade flakes & pellets. This is resulting in this packaging material being exported internationally. Incorporating Recycled content into food grade packaging is an area of focus for Bulla. It was interesting to see that if different types of materials are compacted together (e.g. plastics within paper bags) or items such as foils and lids that are too small, they cannot be processed and become part of the 20% that ends up in landfill. This was a key learning for our team and has resulted in us revisiting our ARLs and how we educate consumers on correct

recycling methods.

Bulla is aware of future changes to fibre percentage and is being proactive in commencing to seek alternatives by working with our paper wrap supplier to locate two Paper/PE wrap options that will meet the future fibre thresholds set by APCO of 85/15 paper to PE. The samples are expected to be trialled and validated in 2024. Bulla is also working with our supplier of Paper PE 1L tub seals, who are currently seeking alternatives to share with us we expect to receive samples to validate in 2024.

Criteria 5 - Please specify

100% of Bulla packaging contains ARLs. Further to this the Bulla Website includes a section which informs consumers of our commitment to ensuring we meet the 2025 target of 100% Recyclable, Reusable or Compostable. The information in the 'Packaging' section on the Bulla Dairy Foods website explains that Bulla has been a voluntary signatory to the Australian Packaging Covenant since 2010 and includes links to the APCO website and the Bulla Annual Reports and Action Plan. To help increase consumer awareness on how to use kerbside recycling bins for optimal recycling, the 'Packaging' section has a comprehensive description of the Australasian Recycling Labels including a visual explanation of how the ARLs work. Further to this, when consumers visit the Bulla 'Products' section of the Bulla Dairy Foods website, every product type has instructions on how to recycle the packaging components, including the relevant ARL.

Criteria 6 - Please specify

In 2023, one of our priorities was to update the waste management procedure for all sites across Bulla and continue to find opportunities to divert waste from landfill. Although we had options available to divert waste from landfill at our manufacturing facilities, our office spaces did not provide enough segregation options for staff, so waste stations were created. All of the landfill bins from each desk were removed, and staff were educated on the different waste streams. We found that when there is a landfill bin under each desk, people are more inclined to place everything there (including potential recycling, organics, and electronic waste). The "Waste Stations" allow for the following streams to be segregated: Mix Recycling (yellow), Paper & Cardboard Recycling (blue), Electronic Waste Recycling (Purple), Battery Recycling (Black), Compost (Green), Landfill (Red) Secure Document Destruction Bins (Sensitive information only), Empty Ink Cartridge Recycling box available to place all ink and toner cartridges from all printers. Waste Management Plans were updated and Waste Station Maps for each site, along with educational posters (included in several different languages) that include a description and pictures to prevent waste stream contamination. We encourage all our team members to ask if they are unsure where to place their waste and then share the information with the rest of their team. This includes when we have visitors from other sites or external contractors.

In 2023, after overcoming some constraints due to lack of space, Balers were installed at several sites to compress soft plastic and powder bags into compact bales. Although this waste is currently going into landfill bins, the baling of these waste streams enables future collection and transportation directly to recycling plants. Conversations and site visits commenced with several recycling centres to build a collection system for soft plastic; it is anticipated that this will be implemented in 2024.

Criteria 6 - Please specify

2023 Waste figure includes the volume of waste sent to landfill, composted, donated or recycled. It does

not include the absolute total volume of cardboard and plastic waste collected for recycling from all sites, as this volume is not recorded by the service provider at two of the regional sites. 88% of Bulla's waste was diverted from landfill through composting and recycling, and donations to Foodbank, Secondbite, community events and Bulla staff. In 2023, monthly site manufacturing meetings took place to align our teams with Bulla's Sustainability Strategy. This designated time is a valuable opportunity for relevant team members to communicate, strengthen working relationships, solve problems, and promote a collaborative approach to reducing our environmental impacts. Waste walks were conducted across our manufacturing sites. The purpose of the walks is to observe and assess work areas, workflows, and practices to identify opportunities to eliminate waste. This engagement with the teams who are responsible for these daily 'hands-on tasks' provides invaluable insight into the challenges and opportunities they face. Together, we have prioritised and escalated the opportunities identified and embedded them into an action plan. Bulla is an active member of the Dairy Manufacturers Sustainability Council and has participated in the development of the Dairy Sector Food Waste Action Plan. This is the Australian dairy industry's response to the Australian Federal Government's goal of halving food waste by 2030. Food waste from the dairy supply chain has been identified as one of the six highest Australian food waste sources. The Action Plan reflects the Australian dairy industry's commitment to sustainable practices, including reducing waste, which is highlighted in the Australian Dairy Sustainability Framework. The result of this collective action is the Dairy Food Waste Action Plan, which Dairy Australia has developed in partnership with the Australian Dairy Products Federation, Stop Food Waste Australia, input from Dairy Manufacturers Sustainability Council members and other dairy companies, and with support from Sustainability Victoria. It's development has increased transparency of dairy food waste across the supply chain, and it provides a pathway for the industry to tackle this waste challenge collaboratively.

Criteria 7 - Supporting Evidence

The work completed in 2021 and 2022 resulted in zero problematic packaging across the Bulla product range. In 2021 Bulla commenced moving away from Polystyrene, through transitioning to Paperboard for frozen cups product category and Polypropylene and PET for chilled cup product categories which resulted in eliminating 107 tonnes of problematic packaging and therefore transitioning 2 product categories which were previously not recyclable to recyclable, leaving 1 product category to transition. A solution for the final product category was sourced and passed all Bulla trialing and testing and was fully implemented in 2022, resulting in zero polystyrene within our packaging range.

Bulla Packaging Assessment Spreadsheet