



Signatory Name: Myer Holdings 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 2015 – 30 June 2016
- Calendar Year: 1 January 2016 – 31 December 2016

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

Myer uses the Packaging and Labelling Request (PLR) procedure to evaluate new Myer Exclusive Brand (MEB) packaging against the SPGs. Where an element of the SPGs is not met, the Quality Assurance and Compliance team works with the buyer to modify the packaging where appropriate.

In procuring packaging, Myer's Floor Ready Standards set out requirements and incorporate SPG elements including minimal transport and product packaging. All suppliers are required to meet these standards. The Standards can be viewed at <http://myersupplier.myer.com.au/documents/Myer%20Floor%20Ready%20standards%20JUL012%20v1%20FINAL.pdf>

Monitoring of whether packaging meets the Floor Ready Standards is conducted both in Myer's Asian hubs and Australian warehouses, as well as the ability for stores to report issues to be communicated to manufacturers.

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

%

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.	Maintain a cross-business leadership team ('MyPart') to manage packaging stewardship	The 'MyPart' team is chaired by the National Sustainability Manager and includes key representatives from Merchandise, Quality Assurance, Procurement and Retail Operations. The team met regularly and team members implemented the action plan during the reporting period.

2.	Review transport packaging for a minimum of 2 brands in different merchandise categories to identify opportunities	<p>Transport packaging for over 50 MEBs were reviewed and multiple opportunities identified and implemented. The main opportunities were:</p> <ul style="list-style-type: none"> • Reuse of supplier cartons: Suppliers were selected who are using bigger cartons (under utilised) and requested them to adjust carton size in order to increase the supplier carton reuse percentage • New carton implementation: New size 'Cargo Services' cartons were introduced to accommodate different product types • Airfreight & Low Quantity Orders moved in satchels: Small volume orders being moved in satchels instead of cartons was tested, however this was discontinued due to airline handling issues. • Reuse of CS cartons for Online Fulfilment: Existing cartons from deliveries to store are being used to fulfil customer online orders, rather than recycling transport packaging and procuring new cartons for fulfilment. Myer branded packing tape is used on these cartons. <p>The opportunity to reduce polybag use to protect apparel from manufacturer to Asian hubs was also identified, and included in Myer's FY17 action plan for implementation.</p>
3.	Review consumer packaging for a minimum of 2 brands in different merchandise categories to identify opportunities	Consumer packaging for footwear and homewares were reviewed during the period. Opportunities identified were incorporated into the FY17 action plan for implementation. These included removing foam from footwear packaging, investigating how to remove voids from dinnerware packaging, and working with suppliers to identify industry best practices suitable for Myer products.
4.	Review online fulfilment packaging chain to identify gaps	Completed FY15. Along with new mail satchels and boxes, stores are re-using freight boxes and in-fill pillows that are still in good condition for online order fulfilment transport packaging. A further review of the online fulfilment packaging range was commenced during the reporting period, and included in the FY17 action plan for completion.
5.	Build SPG principles and approvals into the Myer Product and Labelling Request process for all MEB products	Completed in FY2013 and continued throughout the reporting period.
6.	Establish and maintain specifications for hangers to ensure recyclability	Maintained throughout the period, with 14.9 million hangers and 1.9 million clips recycled or reused.
7.	Establish and maintain specifications for security tags to ensure recyclability	Maintained throughout the period, with 4.3 million tags recycled.

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

N/A

Goal 1: Design

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

Rating

5

Rating Comments

Fantastic achievements to date and a good methodical approach to assessing current packaging in different areas of the Myer store is being implemented. You may like to see our members panel discussion video on Driving and Embedding Change within their organisations – knowledge sharing tool for best practice outcomes <https://www.youtube.com/watch?v=kKxgXSNrzFs>
To ensure staff members at Myer stores are informed of these achievements, it is important to identify ways to more broadly communicate information regarding the APC and your KPI commitments within Myer. One simple way could be signing up to our e-newsletter or member monthly email.
<http://www.packagingcovenant.org.au/pages/newsletter.html>
You might also consider educating marketers and other decision-makers within your organisation about the importance of packaging sustainability using the Sustainable Packaging Toolkit, available here: <http://www.packagingcovenant.org.au/toolkit/>.

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.	<i>Undertake Stores Recycling Optimisation program nationally (subject to APC funding)</i>	<p>Myer rolled out an optimised recycling system to all stores outside of Victoria. Significant project components were completed during the period, with monitoring and reporting occurring in FY17. The project received funding support from the Australian Packaging Covenant, and consultants Sustainable Resource Use were engaged by Myer to undertake the bulk of the project elements. The project involved review of data, onsite assessment of practices, installation of bins and signage, documentation of best practices, education campaign to store teams and engagement with key suppliers and partners.</p> <p>The best practice guidelines outline the optimised system and cover the following key elements:</p> <ol style="list-style-type: none">1. Upstream reduction through freight packaging minimisation and infill packaging uniformity2. Recycling stations in store back-of-house areas (reserves and dock), comprising cardboard and paper, flexible plastics and landfill bins, supported by clear colourcoded signage and colour coded bins3. Infill packaging reuse for online dispatch4. Office paper recycling5. Point of sale counter paper recycling6. Reuse and/or return of hangers, security tags, goods, pallets, fixtures, visual merchandise display boards7. Team member and customer co-mingled recycling8. Communication with team members including employees, concession team members and cleaners9. Monitoring of bin contents and system elements10. General waste collection reductions <p>Implementation of the project was reported to have achieved an increase in packaging recycling rates, from 50% to above 80%.</p> <p>The final report and case study is available on the APC website.</p>

2.	Undertake recycling education campaign for store staff	<p>An education program for store staff waste delivered as part of the roll out of the optimised recycling system nationally. The program comprised:</p> <ul style="list-style-type: none"> • Conference calls to store managers to introduce the project • Face-to-face explanation of the optimised system with store and operations managers in all major capital city stores • Conference call to explain the optimised system with store managers and operations managers of all stores not visited • Written communications at various stages of the project implementation to store managers, operations managers, and team members • Best practice guideline outlining the optimised system which covers all materials and advises on actions to reduce and recycle in all parts of the store. This is now permanently available online • Signage and colour coding of equipment to assist team members identify where various streams are to be disposed. This is now permanently available online • Waste and recycling leaderboard (launched in early 2017). Myer developed a recycling and waste leaderboard so that we can communicate to each store how they are going in our drive to a reduced waste and increased recycling outcome. <p>The level of engagement from team members has been extremely high and we look forward to working together to further increase recycling rates.</p>
3.	Pursue improvements to waste and recycling data reporting by service providers in order to establish Store Recycling Leader board	<p>Myer developed a waste and recycling leader board, to provide stores with visibility of the results of their efforts to reduce waste to landfill and increase recycling. By allowing each store to benchmark their performance, it is expected to drive a further effort at store level to boost recycling rates.</p> <p>This work was completed outside of the reporting period. We look forward to the success of this piece of work through 2017.</p>
4.	Establish and maintain recycling systems for cardboard and film plastics at stores	<p>Systems maintained and improved throughout the period. A total organisational recycling rate of 60%, including packaging and non-packaging, was achieved in FY16. For a detailed breakdown go to: http://www.myer.com.au/p/about-myer/sustainability/</p> <p>Myer has extensive recycling programs in place across our network of stores, distribution centres and support office. This includes specialised recycling programs for retail specific product such as security tags, clothes hangers, paper, cardboard and plastic film, pallets, pallet sheets and metals. Excess or damaged merchandise, samples and returns are recycled and reused through a third party supplier.</p>
5.	Establish and maintain recycling systems for film plastics, cardboard, metal fixtures and pallets at Distribution Centres	See response above.
6.	Establish and maintain recycling systems for hangers at stores	See response above. In FY16, 73% of hangers and clips were reused.
7.	Establish and maintain recycling systems for security tags at stores and Distribution Centres	See response above.
8.	Establish and maintain recycling systems for commingled container recycling, paper and cardboard and organics at Myer Support Office	See response above. In FY16, 51% of support office waste was recycled.

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

Myer is committed to minimising the impact of its operations on the environment, and the recycling of waste and packaging materials is a key focus. Myer was successful in gaining co-funding from the Australian Packaging Covenant for a project to optimise the recycling of packaging waste from its retail and distribution sites across Australia. Myer has worked hard on managing its up-stream supply chain to minimise transport packaging and increase the use of recyclable materials, and is now turning attention to the disposal end of the chain. Each Myer site generates waste and recycling streams consisting of security tags, clothes hangers, paper, cardboard and plastic film, pallets, pallet sheets and metals. Previously, sites varied significantly in regard to collection infrastructure, back-of-house collection systems, space and staff signage and education. The aim of this project was to roll out a consistent and effective system, developed in Victoria, across our sites nationally. At the conclusion of the project (in FY17), Myer produced a final report and case study to share learnings with other members of the retail, property and packaging industries in the hope of assisting others to maximise environmental and financial benefits. This is now available on the APC website.

Goal 2: Recycling

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

Rating

5

Rating Comments

Absolutely fantastic outcomes from Myer on managing recycling. It is particularly important to educate staff members and to get them involved in a recycling program which is great to see. To improve, you might like to expand the materials in which your recovery stream collects (e.g. staff coffee cups as an example) providing keep cups to staff members could be an incentive to decrease this waste stream. Otherwise, fantastic effort with this KPI to date.

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

Myer does not have a business-wide 'buy recycled policy', however environmental impacts are considered in sourcing decisions. This principle has been applied in the specific areas of clothing hangers, security tags, marketing collateral (catalogues) and printing, office printing cartridges, and Myer LDPE shopping bags. The biggest packaging consumption area in the Myer supply chain is merchandise transport packaging from China, and Myer understands these materials contain significant recycled content.

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.	Assess possibility to develop a Buy Recycled Strategy for internal procurement of consumables.	Baseline data on recycled content has been established for our Stationery Basket of Goods. Further feasibility assessments were scheduled for FY17 to assess opportunities for recycled product.

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

There is no international industry standard transport container or methodology for its recirculation. Such an international industry standard would reduce the amount of transport packaging being manufactured and requiring disposal.

Goal 2: Recycling

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

Rating

2

Rating Comments

Its great to see that you have a Buy Recycled Strategy in development, we look forward to seeing the outcomes of that strategy. Details on outcomes achieved to date (percentage of recycled content in products) would have been beneficial.

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)

Sustainable Packaging Guidelines are included in the Myer Floor Ready Standards, and we continue to engage more suppliers and work to improve compliance.
In FY2016 we also undertook significant work with our waste and recycling service providers to reduce general waste collections and optimise recycling rates, including signage and equipment infrastructure across Australia, and improving waste and recycling data.

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.	Work with suppliers to increase Floor Ready packaging compliance	The Floor Ready program was active until late FY15. Rolling 12 month results in March 2015 of 89% compliance for MEBs. Since that time any issues identified with compliance with the standards (by the hubs, distribution centres or stores) are directed for resolution through the supply chain hubs and/or the buying teams.
2.	Establish and maintain processes and supply chain relationships to support hanger recycling	Maintained throughout the period, with 14.9 million hangers and 1.9 million clips reused.
3.	Establish and maintain processes and supply chain relationships to support security tag recycling	Maintained throughout the period, with 4.3 million tags reused.

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

N/A

Goal 3: Product Stewardship

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

Rating

4

Rating Comments

It is good to see that you are singling out items that have the potential to create a lot of unnecessary waste such as coat hangers and security tags. You may be interested in our members panel discussion video on the importance of Supply Chain Collaboration within their organisations to achieve best practice outcomes <https://www.youtube.com/watch?v=ZzxxGUxulHo>
To improve in this KPI, Myer might consider organising an event with suppliers or an annual meeting to discuss and collaborate with suppliers regarding packaging and innovative ways to reduce it.

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.	Review outcomes of clothing recycling program with Salvos Stores and make decision on the future of the program post February 2016	The outcomes of the clothing recycling program with Salvos Stores were reviewed, and a decision was made to expand and re-launch the program.
2.	Sharing of the Retail Recycling Optimisation Case study with other APC signatories	<p>Myer was successful in gaining co-funding from the Australian Packaging Covenant for a project to optimise the recycling of packaging and waste from its retail and distribution sites across Australia. Myer has worked hard on managing its up-stream supply chain to minimise transport packaging and increase the use of recyclable materials, and is now turning attention to the disposal end of the chain. Each Myer site generates waste and recycling streams consisting of security tags, clothes hangers, paper, cardboard and plastic film, pallets, pallet sheets and metals. Previously, sites varied significantly in regard to collection infrastructure, back-of-house collection systems, space and staff signage and education. The aim of this project was to roll out a consistent and effective system, developed in Victoria, across our sites nationally. At the conclusion of the project (in FY17), Myer produced a final report and case study to share learnings with other members of the retail, property and packaging industries in the hope of assisting others to maximise environmental and financial benefits. This is now available on the APC website.</p>
3.	Implement 'Smarter Choice' online training for electronics team members	<p>Team members play a very important role in helping customers understand the importance of energy efficiency of their purchases and how this translates to ongoing running costs and impact on the environment.</p> <p>'Smarter Choice' online training was made available to all team members on Myer's internal training website. This training enables team members to provide information to customers on comparing energy efficiency and running costs of a range of household appliances such as televisions, refrigerators, air conditioners and washing machines.</p> <p>Budget was obtained during the reporting period to make the training a mandatory item for entertainment team members in FY17.</p>

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

Energy Rating Icon Online

As part of our product responsibility program we aim to reduce energy use and greenhouse gas emissions from the use of our products, by making it easy for our customers to make informed purchasing decisions. Appliances and equipment are a major source of electricity consumption and greenhouse gas emissions in Australia, accounting for about one third of energy use and almost half of greenhouse gas emissions in the average household. Energy operating costs over the life of appliances are typically as much or greater than the purchase cost of the appliance. In the past it has proven difficult for customers to access information on appliance operating cost. Energy labelling has been developed to overcome this information gap, and Myer has provided this information for customers in store for some time. Consumers now routinely use digital information to research purchases, and online purchases are increasing at a rate of five times that of traditional retail. To assist customers in making new appliance and equipment purchases, in FY16 Myer incorporated the online energy rating icon to supplement product information provided online. This allows consumers to understand the total cost of ownership, when deciding which product to buy. Previous data from the NSW government has shown that the impact of labelling on consumer choices has reduced cost of living for households, and increased energy productivity.

Myer and Salvos Fashion Rescue

Myer teamed with Salvos stores nationwide to offer an added incentive for customers to donate pre-loved clothing to charity. The Myer and Salvos Fashion Rescue officially launched across the country during FY2014, and ran throughout FY2015 and up to February 2016, following a successful trial of the program in Victoria during FY2013. Customers could donate their pre-loved clothing at any Salvos Store and be rewarded with a \$10 Myer voucher. Fashion Rescue provided the perfect opportunity for Myer customers to give back to the community and contribute to a sustainable environment. Clothing donated as part of the program was distributed to those most in need, or sold to raise funds to allow The Salvation Army to continue their support and work throughout the Australian community. Each year Salvos Stores prevent 55,000 tonnes of clothing and other goods ending up in landfill. By donating to Salvos stores customers can extend the useful life of all the resources invested in producing clothing including energy, water and raw materials.

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

N/A

Goal 3: Product Stewardship

KPI 7: % signatories showing other Product Stewardship outcomes.

Rating

5

Rating Comments

It is very important for signatories and industries to share knowledge and Myer has achieved this by allowing their report to be included on the APC website - congratulations. The salvos clothing program is a great example of product stewardship.
You may want to consider if a take-back program can be developed for any of the products and/or packaging from your supplier or customers (e.g. make-up companies with empty bottles / tubes etc.)

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.	Include reuse and anti-littering message on retail carry bags	The inclusion of the anti-littering message on retail carry bags was approved following the reporting period, production commenced and in store launches began in FY17.

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

N/A

Goal 3: Product Stewardship

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

Rating

3

Rating Comments

It is great that you have included littering messaging on your retail bags. you have also incorporated a rigorous recycling program with staff members which is commendable. You might also like to participate in business clean up day. Other things to think about is the reduction of plastic bags or a takeback scheme for plastic bags so that they can be recycled and diverted from landfill. You might also like to consider On-site/ around site litter mitigation clean ups – with can including bins in areas where staff congregate, team quarterly clean ups or expanding your external cleaning staff to address litter.

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

Recognition for Sustainable Packaging Management

Myer was acknowledged as a 2016 Australian Packaging Covenant High Performer.

Optimised Recycling System

Myer rolled out an optimised recycling system to all stores outside of Victoria. Significant project components were completed during the period, with monitoring and reporting occurring in FY17. The project received funding support from the Australian Packaging Covenant, and consultants Sustainable Resource Use were engaged by Myer to undertake the bulk of the project elements. The project involved review of data, onsite assessment of practices, installation of bins and signage, documentation of best practices, education campaign to store teams and engagement with key suppliers and partners. The best practice guidelines outline the optimised system and cover the following key elements:

1. Upstream reduction through freight packaging minimisation and infill packaging uniformity
2. Recycling stations in store back-of-house areas (reserves and dock), comprising cardboard and paper, flexible plastics and landfill bins, supported by clear colour coded signage and colour coded bins
3. Infill packaging reuse for online dispatch
4. Office paper recycling
5. Point of sale counter paper recycling
6. Reuse and/or return of hangers, security tags, goods, pallets, fixtures, visual merchandise display boards
7. Team member and customer co-mingled recycling
8. Communication with team members including employees, concession team members and cleaners
9. Monitoring of bin contents and system elements
10. General waste collection reductions

Implementation of the project was reported to have achieved an increase in packaging recycling rates, from 50% to above 80%. The final report and case study is available on the APC website.

Energy Rating Icon Online

As part of our product responsibility program we aim to reduce energy use and greenhouse gas emissions from the use of our products, by making it easy for our customers to make informed purchasing decisions. To assist customers in making new appliance and equipment purchases, in FY16 Myer incorporated the online energy rating icon to supplement product information provided online. This allows consumers to understand the total cost of ownership, when deciding which product to buy.

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

The short implementation period (Dec 2015 to June 2016) for the new action plan was a challenge however we are happy with what we achieved in the time.

Summary of ratings:

KPI	2017 Rating (0-5)	2016 comparison	2015 comparison	2014 comparison	2013 comparison	2012 comparison
KPI 1	5	5	4	5	5	5
KPI 3	5	5	5	5	5	4
KPI 4	2	4	3	2	4	3
KPI 6	4	4	5	3	4	3
KPI 7	5	5	4	3	4	3
KPI 8	3	3	3	3	2	3
Average rating for this signatory	4.0	4.3	4.0	3.5	4.0	3.5
<i>Average rating across all signatories</i>	<i>TBC</i>	<i>3.2</i>	<i>3.0</i>	<i>2.8</i>	<i>2.9</i>	<i>2.8</i>

Myer was able to achieve some great outcomes in a short period of time. Specifically their recycling program with on site recycling systems and the education of staff members is fantastic and commendable. Allowing knowledge sharing by sharing the report on the APC website is also a great outcome. Areas for improvement include mitigation of litter and developing a strategy to buy recycled content products / packaging. We look forward to seeing what Myer achieve in future reports.