

MYER

National Packaging Covenant
Annual Report
2008-2009

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Executive Summary

The “*Myer National Packaging Covenant Annual Report 2008-2009*” is the second NPC reporting year for Myer. This report outlines Myer’s progress in its second full year of activities since becoming a signatory to the Covenant. The report considers progress against the “Myer Three Year Action Plan” first submitted in January 2008 that covered the period from January 2008 to December 2010.

Specifically the report will outline Myer’s:

- Performance against specific actions;
- Product stewardship achievements and opportunities;
- Status regarding implementation of the Environmental Code of Practice for Packaging (ECoPP);
- KPI data disclosure for the reporting period from 1 July 2008 to 30 June 2009;
- Additional business initiatives that have met or exceeded NPC objectives.

In the 2007-2008 annual report, Myer stated that it would pursue a number of initiatives for the year ahead. Progress for each of these initiatives is indicated below.

Stated Initiative	Progress
Reporting of baseline data and comparing this with the year 1 results.	✓✓✓
Reducing the weight of “own brand” packaging and non-recyclable material where appropriate.	✓✓
Maximising the recyclable content of marketing/sales materials.	✓✓✓
Minimising the weight of non-recyclable consumer packaging in general waste and distribution packaging from all Myer sites.	✓✓
Replacing composite packaging in Myer “own brands” where possible	✓✓
Continuing ink and toner cartridge recycling collection	✓✓✓
Assessing whether further waste recycling collection systems on Myer sites could be implemented	✓✓
Educating team members about any new recycling procedures and company initiatives	✓
Implementing a ‘buy recycled’ purchasing policy	✓

During the 2009/ 2010 reporting year, the business plans to move forward with Year 3 of the Action Plan, as well as complete outstanding Year 1 and Year 2 objectives that are currently in progress. Any additional actions that can be identified during the course of the year will also be implemented.

1. Company profile and contact information

Myer Pty. Ltd. Profile

The first Myer store opened in Bendigo in 1900. The business has since grown to become Australia's largest department store chain with 65 stores nationally (and growing) employing more than 20,000 people. Myer offers a range of womenswear, menswear, childrenswear, homewares, cosmetics, footwear, electrical, furniture, toys and a broad range of general merchandise. Until 2006, Myer was part of the Coles Myer group, when it was sold to the Texas Pacific Group and became a publicly listed company in November 2009

Myer sells a range of merchandise of National and International brands, which accounts for approximately 85% of total sales. Myer "own brands" account for the remaining 15%. Myer is therefore classified both as a Retailer and a Brand Owner for Myer "own brands", within the National Packaging Covenant.

Myer stores are located in all states and the ACT, and the National Support Office is located at 295 Lonsdale St, Melbourne above the Myer Melbourne store. Myer has four Regional Distribution Centres located in Victoria, New South Wales, Queensland and Western Australia.

Contact Person

For further information about any matters relating to the Myer National Packaging Covenant Action Plan, please contact:

Helen Williams
Packaging and Labelling Manager
Myer Pty Ltd
295 Lonsdale St., Melbourne.
Ph: (03) 9661 3484
Fax: (03) 9661 7623
Email: Helen.Williams@myer.com.au

2. Product Stewardship

Design

Myer's "own brands" in apparel are brand names such as "Basque", "Urbane", "Blaq", "Reserve", "Regatta", "Sprout" and "Milkshake". Apparel products are predominantly retailed in an un-packaged condition and therefore generate minimal consumer packaging. Consumer packaging is however often used in apparel areas such as business shirts, gift sets and hosiery.

Myer's "own brands" in homewares include brands such as "Vue", "Cook's Kitchen" and "Heritage". Many homewares items are retailed as packaged products, using printed cardboard boxes &/or plastic wrapping.

In the area of Design, Myer has conducted a number of process reviews and audits of merchandise to modify Myer "own brand" packaging to:

- Reduce the amount of packaging materials, without compromising the quality of merchandise or reducing the protective properties of the packaging. By example: The use of protective poly-bags for "own brand" Intimate Apparel Sleepwear has been reduced by 90,000 units in the past 6 months.
- Increase the level of recyclable materials used for packaging. By example: Transition away from acetate-windows in packaging of picture frames to using entirely recyclable cardboard packaging.
- Eliminate composite packaging wherever an alternative option is feasible and practical. By example: Discontinue the use of plastic and foam used for product protection within packaged products, and substitute with recyclable paper or cardboard.

Additionally, Myer has further institutionalised the process by which development of packaging must pass through a formal design and review process. Individual "Packaging & Labelling Requests" (called PLR's) must be submitted to the Packaging & Labelling Manager, who then manages these through the design and development stages.

In January 2009, Myer upgraded the PLR development system to include the Environmental Code of Practice for Packaging (ECoPP) escalation and approval. ECoPP review now forms a standard component of all new PLR submissions.

Period	No of PLR's	Increase in PLR's	ECoPP PLR's
2007-2008	449	N/A	N/A
2008-2009	536	19%	296

There has also been substantial transformation & progress in other related areas:

- Sales & marketing materials used for visual merchandising in stores have been redesigned to transition away from foam and polystyrene core visual merchandise (VM) displays. Wherever possible, VM displays now use a combination of recyclable corrugated cardboard alternatives and fabric-prints applied to re-usable frames. This has reduced the use of polystyrene core by in excess of 2,700 square metres during the past year.
- Myer's promotional catalogues now use paper sourced from sustainable forest sources (e.g. Catalogues use PEFC certified paper)

- Myer conducted trials on the use of re-usable/recyclable (paper) bags as a substitute for the plastic bags for customers. As a result of lessons learnt during these trials, Myer has plans to provide alternatives to the current plastic bags as a more permanent measure in the year ahead.
- Stores are constantly updating their in-store tickets and posters to support marketing activity. Stores now print promotional material according to each store's specific requirements rather than being sent an allocation of display materials. This has substantially reduced wastage associated with over-supply, and eliminated the associated transit/freight costs.
- Approximately 70% of all of Myer's suppliers (across apparel and general merchandise) have committed to the adoption of Myer's Floor Ready Standards. This involves the elimination of unnecessary excess packaging to minimise packaging waste and improve store productivity.

Production

Myer has control over the design of packaging for "own brand" packaging and bags. Changes in the design and development processes for "own brand" packaging are continuing to assist in the reduction of materials used in the production of packaging.

Myer has designated "preferred suppliers" of "own brand" packaging and labelling components for apparel. Working cohesively with these preferred suppliers allows Myer to take greater control over the quality of packaging & labelling, and minimises the waste associated with production excesses and redundancy of unwanted materials.

An objective for the year ahead is to extend this type of relationship so that it captures relevant ticket and label components for Myer's "own brand" homewares and general merchandise.

Through the introduction of ECoPP review into Myer's systems, the use of composite packaging has been substantially replaced in some areas with solutions that allow re-use and recycling. An objective for the year ahead is to continue the transition away from composite packaging wherever possible and practical, or where this is not feasible, to introduce re-usable packaging solutions.

Distribution

Myer continues to analyse the 'distribution packaging' used in the Myer supply chain, and look for improvement opportunities. A number of specific initiatives have stemmed from this analysis:

- A substantial reduction in the use of shrink-wrap plastic used to secure cartons loaded onto pallets. By using roll-cages for transport of cartons and merchandise, Myer reduced the use of shrink-wrap by 27 tonnes in the first year (2007-2008). An additional 15 tonnes of shrink-wrap was eliminated in the second year, representing a total reduction of 42 tonnes of shrink-wrap in 2008-2009 compared to 2006-2007.
- The drive for merchandise to be delivered to Myer in a "floor ready" condition has been a significant Myer initiative that has reached beyond a commitment to improve Myer "own brands" and sought to engage all suppliers of merchandise to Myer.

- Improvement in the process by which goods are re-packed in Distribution Centres and consolidation hubs, by reducing the size-range of new cartons and by maximising the re-use rate of cartons. The re-use rate of cartons is being monitored on a monthly basis and is now being used as a productivity measure.

Date	Cartons Received	Cartons Re-Used	% Re-Use of Cartons
Mar-09	15710	7475	47.6%
Apr-09	19209	11987	62.4%
May-09	8590	4785	55.7%
June-09	14817	10372	70.0%
Jul-09	20331	16178	79.57%
Aug-09	27785	18640	67.1%
Sep-09	23245	17061	73.4%

Disposal

Myer has continued to measure the waste gathered at all Myer sites with an intention to introduce initiatives that optimise recycling and minimise waste going to landfill.

- The following waste collection figures demonstrate a comparison between Myer's first year of reporting and the most recent period.

Period	Waste Collected at Myer Sites			Consumer Packaging Myer Brands	
	(tonnes)			(tonnes)	
	Paper	Plastic	General	Paper	Plastic
2007-2008	<div style="font-size: 2em; font-weight: bold; opacity: 0.5;">Commercial in Confidence</div>				
2008-2009					

- Myer continues to operate a number of recycle collection processes, including
 - Waste paper in office areas,
 - Used ink and toner cartridges in store locations. Over 7,000 used toner cartridges have been recovered and channelled into a re-use program in the past 2 years. This has diverted in excess of 7 tonnes of waste going into landfill
 - Collection of hangers at each store's points of sale, for re-use and recycling.
- Hanger recycling and re-use is monitored very closely to ensure hanger collection and re-use programs run efficiently.

- Measures of hanger recovery for re-use for the past three years are provided below:

Period	Hangers collected from Myer Stores (Units)	Hangers Reused &/or Recycled (Units)	Hangers Sold for Reclamation (Units)	% Hangers Sent directly to landfill
Sept 2006 to June 2007	12,000,000	10,045,000	1,773,000	< 2%
July 2007 to June 2008	18,000,000	15,244,000	2,260,000	< 2%
July 2008 to June 2009	18,000,000	15,015,000	2,967,000	< 2%

- Image of hanger collection boxes used by stores to collect hangers



Research

Myer uses the resources of its Procurement Team, Store Development Team, Buying Teams and Facilities Management Team to continually research and investigate improvement opportunities. Some of these include:

- A detailed review of alternatives to the Myer plastic carry-bags: A trial was conducted to gauge consumer support for paper-bags. As a result of lessons learnt from the trial, Myer will investigate other recycle/re-use alternatives with a view to implementing a permanent alternative in the year ahead.
- Plastic bags used for bedlinen: Myer has identified an alternate plastic bag that is reportedly recyclable. Though still under investigation, if this proves to be the case, the Myer Buying Teams has committed to review the feasibility to transition across to the alternate bags. The transition would incorporate authoritative recycling messages onto packaging for customers.
- Alternatives to plastic zipper bags for quilts and similarly bulky bedroom accessories: Cardboard box alternatives were dismissed as a viable alternative as they are significantly more expensive than the composite-material zipper-bags currently in use. Use of cardboard boxes also creates a significant increase in shipment costs, further impacting feasibility. Myer is now investigating options to re-engineer the zipper bags to make them more suitable for re-use within the home/domestic environment.
- Redundant security tags (of the type used to provide merchandise security against theft in stores) are now being collected so they can be ground down and used for environmentally sound re-use applications, such as bench-seats and bollards. In the year ahead, Myer will research whether redundant/waste plastic hangers may also be used in such a way.
- During June 2009, Myer IT e-Recycled 465 aged computer hardware components from Myer stores. (Please see attached images). Equipment from this initial exercise filled over 35 roll cages. Redundant IT equipment continues to be recovered in this manner, and as Myer heads into a major rollout of upgrades to PC's and store registers in the year ahead, e-Recycling will underpin the reclamation activities.
- With the roll out of new "low energy" printers, arrangements were made with the supplier of new printers to environmentally dispose of over 270 redundant Myer printers (ie. E-waste recycled)
- E-recycling images



Market Development

It remains Myer's objective to implement a 'buy recycled' purchasing policy to support the market for recycled materials. All new procurement projects involve a review of environmental management plans, with provisions being incorporated into new contracts as considered necessary.

"Buy recycled" is already factored into two significant Myer buying processes.

For garment hangers that are recollected in stores and returned to the supplier for sorting, approximately 85% of hangers are re-used in as-is condition. Broken and damaged hangers are reground and mixed with virgin materials to create new hangers. It is through this re-use approach that landfill waste and use of virgin materials are kept to a minimum.

Also of significance is the toner reclamation process. Used toner cartridges are placed into dedicated toner collection bins. The used cartridges are returned for reclamation, after which Myer re-purchases the as-new toner cartridges.



Education

Education is an important component of the Covenant, and Myer is committed to development and education of Myer staff in relation to NPC initiatives. In the year past, Myer has:

- Issued two company-wide communications to all Myer Team Members. Communications stated Myer's commitment to the NPC and outlined a number of strategies stemming from the NPC that deliver environmental and sustainable improvements. A dedicated email account has been created to allow all team members to provide suggestions and seek further information.
- Introduced an induction process for all new Myer NPC Committee members, so team members understand the nature and objectives of the NPC, and what expectations are placed upon them as a committee member.
- Ensured those responsible for overseeing Myer's NPC commitments are kept informed about the development of the NPC via:
 - Attendance at the "Australian Packaging Summit" in August 2009
 - Participation in Australian Institute of Packaging (AIP) workshops and site visits (eg. Visits to Visy recycling; Label Makers)

Myer reinforces its commitment to recycling to customers by incorporating a recycling message into the majority of Myer "own brand" packaging, thereby educating and promoting responsible recycling practices amongst our customers.

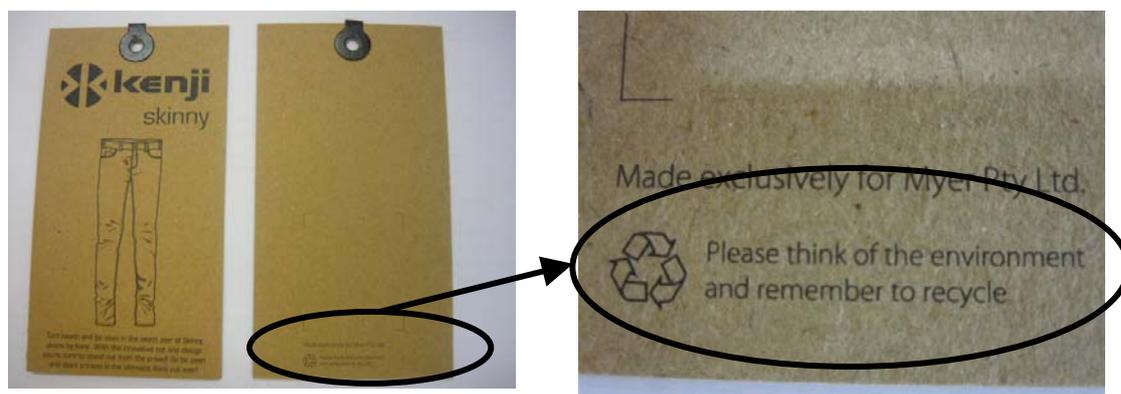
Myer has reinforced its commitment to the NPC by the inclusion of floor ready provisions as part of the vendor registration process for new suppliers. All new suppliers to Myer must sign onto Myer's Floor Ready Standards; with suppliers taken through an induction process that ensures suppliers share Myer's commitments at the outset.

Labelling

Myer's continues to provide customers with information and instructions to maximise recycling of packaging materials. Myer has added a recycling message to the majority of its "own brand" paper & cardboard packaging.

ECoPP principles have been incorporated into Myer's "own brand" packaging and labelling development system since January 2009.

- An apparel swing tag with recycle message



Wholesaling and Retailing

Some of the previously reported initiatives, that demonstrated Myer's NPC Wholesaling and Retailing achievements, are restated below:

- The collection, recovery, sorting and re-use of approximately 85% of all apparel hangers supplied to Myer. The vast majority of the residual hangers are sold to a scrap merchant for further sorting, before being broken down and re-used. Less than 2% of hangers become waste that makes their way into landfill.
- Myer is committed to removal of unnecessary packaging waste on merchandise supplied to Myer, and has enlisted the support of all Myer suppliers to support Myer's position. Around 70% of all current merchandise suppliers have signalled their joint commitment by signing onto Myer's "floor ready" standards.
- Myer Distribution Centre and Store sites segregate recyclable waste wherever practical. Paper/cardboard and plastics are gathered, sorted and compacted into separate vessels, then collected by our waste recycling partner: Amcor. Myer sites are willing participants, as rebates generated via the collection of recyclable materials partially offset the operational costs, rendering recycling more cost effective than treating packaging materials as waste.
- Myer has already embarked upon e-recycling of redundant registers, PC's and other IT peripherals. Myer is committed to pursue e-recycling as major IT projects are rolled out during 2009-2010 (eg. Introducing new point of sale transaction centres into Myer stores)

Recycling and Reprocessing

Myer's commitment to recycling and reprocessing has been covered adequately in prior sections. The following are re-stated to further demonstrate Myer's overall commitment to the covenant and to improvement activities.

- Minimise composite materials: Myer has re-engineered many of the previous packaging solutions that involved composite materials. By example: Boxes that have previously had acetate windows on the fronts of boxes have been reengineered with cutout windows (see below). Alternatively, acetate windows have been replaced with solid cardboard boxes. Images have been added onto box covers so customers can still readily identify the item contained within.



- Eliminate waste: Myer has reviewed the primary packaging and the interior packaging across a wide range of merchandise. Wherever practical, Myer has eliminated the use of unnecessary packaging (eg. tissue paper used as stuffing).
- Where a combination of materials was being used to provide merchandise protection, Myer has begun to transition across to using a single type of recycling material (eg. where internal protection for a saucepan set was provided by a mix of plastic, foam and cardboard, Myer is moving suppliers across to using only cardboard).
- Myer has an NPC Committee that is a cross-functional workgroup representing the entire scope of operations within Myer. Representatives are from the following departments/functions: Quality Assurance, Supply Chain, Buying Teams, Store Operations, Procurement, Compliance, Marketing and Public Relations.

Conclusion

Myer continues its efforts to minimise the amount of waste flowing from merchandise packaging. A number of significant initiatives have commenced, with further development & improvement being an ongoing objective.

3. Reporting against action plan

Myer became a signatory to the National Packaging Covenant in September 2007. A 3-year action plan was submitted in January 2008, which expressed our action plan commitments, targets and timelines for the next 3 years.

The focus for year 1 initiatives was to collect the baseline data to gain a perspective of our current environmental status, and to then undertake initiatives during year 2 and 3 to improve on our performance.

Year 2: Progress against Action Plan during 2008/2009

In Myer's first submission of the NPC Annual Report, Myer provided commitments to pursue a number of activities, as outlined in the Action Plan. The table below provides a summary of the progress made during 2008-2009 against these commitments:

Stated Initiative	Progress
Reporting of baseline data and comparing this with the year 1 results.	✓✓✓
Reducing the weight of "own brand" packaging and non-recyclable material where appropriate.	✓✓
Maximising the recyclable content of marketing/sales materials.	✓✓✓
Minimising the weight of non-recyclable consumer packaging in general waste and distribution packaging from all Myer sites.	✓✓
Replacing composite packaging in Myer "own brands" where possible	✓✓
Continuing ink and toner cartridge recycling collection	✓✓✓
Assessing whether further waste recycling collection systems on Myer sites could be implemented	✓✓
Educating team members about any new recycling procedures and company initiatives	✓
Implementing a 'buy recycled' purchasing policy	✓

Year 2: Challenges

Balancing the competing objectives, of minimising the amount of packaging whilst avoiding any negative impacts upon the quality of merchandise, remains a challenge. There is no clearer example than the debate over apparel goods being packed individually into plastic-bags. The elimination of plastic bags, apart from substantially reducing plastic waste, removes cost and productivity burdens for our business. Correspondingly, the absence of such bags makes goods more susceptible to creasing and soiling. In 2009-2010, Myer will continue to probe and research ways to optimise the floor ready processes.

The current state of the economy has made it difficult to implement a buy-recycled policy into the business. Myer is however committed to pursuing a buy-recycled policy during 2009-2010.

Year 2: IDAS Developments

The Industry Data Aggregation System (IDAS) data provided for Myer's second annual report for 2008-2009 differs significantly from data provided in the initial annual report for 2007-2008.

The following points provide some explanation of the business circumstances that have impacted upon the Myer IDAS data for 2008-2009.

- **Extra Stores:** Through the addition of new stores, Myer has seen an increase in transit packaging. (ie. Packaging used to protect merchandise through the supply chain).
- **Roll-cage transition:** Roll cages are designed to replace the need to palletise merchandise at Distribution Centres. Through the expanded implementation of roll-cages for transferring merchandise to all stores, there has been a significant reduction in shrink-wrap used by Distribution Centres.
- **Floor ready commitment:** The commitment to have merchandise delivered to stores in a floor-ready condition (ie. in a state that allows merchandise to move readily to the selling floor without removal of unnecessary packaging) has seen a significant reduction in the use of protective plastic bags.
- **Reduced sales of packaged goods:** Under what has been a difficult trading period, the number of units sold as packaged goods has decreased significantly compared to 2007-2008 sales.
- **Increased units delivered on hangers:** As an extension of the floor ready commitment, significant quantities of apparel are now received on hangers and bundled into one large apparel bag. This substantially reduces the number of in-transit cartons and individual protective plastic bags used within the Myer supply chain.
- **Standardised carton sizes:** Where merchandise is receipted into consolidation hubs and reprocessed/repacked according to individual store requirements, efforts have been focussed on re-using cartons in which goods have been received and reduces the packaging waste. Where the receipted cartons are unsuitable or insufficient, hubs have agreed upon a reduced range of standard cartons that allows them to more efficiently repackage the goods.

4. Actions going forward

Year 3: Initiatives for 2009/2010

Third year initiatives are a continuation of initiatives that have already been embarked upon by Myer. Such initiatives have been incorporated into the Myer Action Plan include:

- Reporting of baseline data and comparing this with the year 1 & 2 results.
- Reducing the weight of “own brand” packaging and non-recyclable material where appropriate.
- Maximising the recyclable content of marketing/sales materials.
- Minimising the weight of non-recyclable consumer packaging in general waste and distribution packaging from all Myer sites.
- Replacing composite packaging in Myer “own brands” where possible
- Continuing ink and toner cartridge recycling collection
- Assessing whether further waste recycling collection systems on Myer sites could be implemented
- Educating team members about any new recycling procedures and company initiatives
- Implementing a ‘buy recycled’ purchasing policy

5. Executive Endorsement

This annual report has the endorsement of the Chief Executive Officer Bernie Brookes.

For further information please contact:
Bernie Brookes
Chief Executive Officer
Myer Pty Ltd
295 Lonsdale St.
Melbourne VIC 3000
Phone: 03 9661 2057
Email: Bernie.Brookes@myer.com.au

6. Appendix A – Myer Action Plan Progress Table 2008-2009

NPC GOAL 1: Packaging optimised to integrate considerations about resource efficiency, maximum resource re-utilisation, product protection, safety and hygiene			
Covenant KPI	Action	Progress	Outcome
1. Total weight of consumer packaging (domestic & imported) sold per annum into the Australian market and the total weight of products packaged.	Report confidentially the total weight of Myer "own brand" packaging by material type and source (local or imported) and total weight of "own brand" packaged product sold into the Australian market	Completed	The data has been captured for 2008-2009 and compared against the baseline data gathered during 2007-2008. Data for 2008-2009 has been reported via IDAS.
	Develop a standard procedure for the collection of the total weight of packaging and product data	Completed	A procedure was established and documented during 2007-2008 whilst gathering the baseline data. Standard data gathering procedures were employed to gather 2008-2009 data.
3. Improvements in design, manufacture, marketing and distribution to minimise the environmental impacts of packaging.	Minimise the material used in Myer plastic carry bags by assessing whether the best bag sizes and thickness are available for the size of the product sold	In Progress	A detailed review of alternatives to the Myer plastic carry-bags was conducted in 2008-2009: A trial was conducted to gauge consumer support for paper-bags. As a result of lessons learnt from the trial, Myer will investigate other recycle/re-use alternatives with a view to implementing a permanent alternative in the year ahead (ie. 2009-2010).
	Continue with hanger reuse and recycling and determine whether any further improvements can be made	Completed & Ongoing	A hanger collection, re-use and recycling program has been in place for a number of years for all stores, and will continue during 2009-2010.
	Minimise the weight of 'distribution packaging' used in the Myer supply chain	Completed	Myer has committed to a number of merchandise initiatives to reduce in transit packaging (e.g. Floor Ready, Roll Cages). During 2008-2009, additional roll cages were introduced, further reducing the weight of shrink-wrap used within DC's
	Maximise the use of double-sided printing	Completed	Myer's standard operating procedure has printers with a default setting for double-sided printing.
6. Total weight, by type, of "non-recyclable" packaging sold per annum into the Australian market.	Report confidentially the total weight by type of 'non-recyclable' packaging as a % of total packaging sold into the Australian market for Myer "own brands"	Completed	For the second year data has been developed and reported via IDAS.
	Develop a standard procedure for the collection of 'non-recyclable' packaging data	Completed	Procedures for gathering data were developed whilst compiling base line data in 2007-2008. These standard data gathering procedures were employed to gather 2008-2009 data.
	Educate staff about any new recycling procedures and company initiatives	Completed & Ongoing	Various communications have been issued Myer-wide to educate staff. An NPC email has been created to encourage team member feedback.

NPC GOAL 4 - Supply chain members and other signatories are able to demonstrate how their actions contribute to goals (1)			
Covenant KPI	Action	Progress	Outcome
21. Estimated tonnage of consumer packaging recycled and sent to landfill respectively from on-site collection facilities.	Report confidentially on total weight of waste sent for recycling and to landfill respectively from Myer on-site collection facilities	Completed	Data for 2008-2009 has been reported via IDAS. The data has been captured for 2008-2009 and compared against the baseline data gathered during 2007-2008.
	Develop a standard procedure for the collection of total weight of waste sent for recycling and to landfill	Completed	A procedure was established and documented during 2007-2008 whilst gathering the baseline data. Standard data gathering procedures were employed to gather 2008-2009 data.
22. Formally adopt the ECoPP and develop systems for its implementation.	Develop systems for implementation of ECoPP for Myer "own brands" and bags	Completed	ECoPP principles were incorporated into Myer's "Packaging & Labelling Request" system in January 2009. All new packaging development requests since January have undergone ECoPP assessment.
	Incorporate a recycling message on Myer "own brand" cardboard cartons and inserts	Completed	Myer "own brand" cardboard cartons contain a recycling message. Myer "own brand" printed inserts contain a recycling message (eg. Bedlinen) Myer "own brand" apparel swing tags contain a recycling message.
	Use appropriate recycle label on Myer "own brands" and bags	Completed	Myer "own brand" printed inserts & boxes contain a recycling message (eg. Bedlinen) Myer "own brand" apparel swing tags contain a recycling message.

NPC GOAL 5 - All signatories demonstrate continuous improvement in their management of packaging through their individual action plans and annual reports			
Covenant KPI	Action	Progress	Outcome
27. Establishment of baseline performance data	Report confidentially baseline data by 31st October 2009	Completed	IDAS completed and attached
28. Annual Reporting against Action Plan.	Lodge annual report outlining progress against baseline data, action plan commitments, targets and timelines	Completed	As attached
	Communicate Covenant principles and all related activities to all staff	Completed & Ongoing	Various communication channels have been used to educate staff including: <ul style="list-style-type: none"> • An environmental survey, which was included in a store communication; • Internal Myer TV episodes have been used to highlight the importance of the NPC, • Written communications via MyUpdate
29. Demonstrated improvement and achievements against individual targets & milestones	Demonstrate continuous improvement and performance against action plan in the annual report	Completed & Ongoing	Compiled 2008-2009 data using standard data gathering procedures, and compared versus baseline data gathered for 2007-2008.

6. Appendix B- National Packaging Covenant KPI Report

NPC KPI 1: Total Weight of Consumer Packaging

KPI 1A: Tonnes of packaging by material type and source (local or imported)

Locally sourced packaging materials (TONNES per annum):

	2007-2008	2008-2009	Variance
Paper - Tonnes	Commercial in Confidence		
Cardboard - Standard Tonnes			
Cardboard - Waxed Tonnes			
Cardboard - High Wet Strength Tonnes			
Plastic - Tonnes			
Plastics - Type 1 (PET) Tonnes			
Plastics - Type 2 (HDPE) Tonnes			
Plastics - Type 3 (PVC) Tonnes			
Plastics - Type 4 (LDPE) Tonnes			
Plastics - Type 5 (PP) Tonnes			
Plastics - Type 6 (PS) Tonnes			
Plastics - Type 7 (Other) Tonnes			
Non-Paper / Non-Plastic - Tonnes			
Glass Tonnes			
Aluminium Tonnes			
Steel Tonnes			
Composites Tonnes			
Other Tonnes			

Imported packaging materials (TONNES per annum):

	2007-2008	2008-2009	Variance			
Paper - Tonnes	Commercial in Confidence					
Cardboard - Standard Tonnes						
Cardboard - Waxed Tonnes						
Cardboard - High Wet Strength Tonnes						
Plastic - Tonnes						
Plastics - Type 1 (PET) Tonnes						
Plastics - Type 2 (HDPE) Tonnes						
Plastics - Type 3 (PVC) Tonnes						
Plastics - Type 4 (LDPE) Tonnes						
Plastics - Type 5 (PP) Tonnes						
Plastics - Type 6 (PS) Tonnes						
Plastics - Type 7 (Other) Tonnes						
Non-Paper / Non-Plastic - Tonnes						
Glass Tonnes						
Aluminum Tonnes						
Steel Tonnes						
Composites Tonnes						
Other Tonnes						
Total Tonnes of packaging Tonnes						
KPI 1B: Tonnes of packaged product sold						
KPI 1C: Ratio of product to packaging (by weight						

NPC KPI 6: Volume of Non-Recyclable Packaging

KPI 6A: The total weight of non-recyclable consumer packaging sold per annum into the Australian market.

	2007-2008	2008-2009	Variance
Plastics - Type 4 (LDPE) Tonnes	Commercial in Confidence		
Plastics - Type 5 (PP) Tonnes			
Plastics - Type 6 (PS) Tonnes			
Plastics - Type 7 (Other) Tonnes			
Non recyclable paper/cardboard Tonnes			
Composites Tonnes			
Total Tonnes			

KPI 6B: Total non-recyclable packaging as a percentage of total packaging sold: CONFIDENTIAL

NPC KPI 16: Post-Consumer Recycling Facilities

KPI 16A: Does Myer have on-site collection for recycling facilities? **Yes**

KPI 16B: What types of on-site recycling facilities are provided?

- Paper/cardboard **Yes**
- Plastics **Yes**
- Metals **No**
- Organics **No**
- Other **Yes** (Ink Cartridges, Hangers)

NPC KPI 21: Destination of Collected Packaging Waste

KPI 21: The estimated tonnage of consumer packaging sent for recycling and to landfill from onsite collection facilities (**refer to KPI 6**)

KPI 21A: Consumer packaging from on-site collection, which is sent for recycling: CONFIDENTIAL

Percentage of total waste: CONFIDENTIAL

KPI 21B: Consumer packaging from on-site collection, which is sent to landfill: CONFIDENTIAL

Percentage of total waste: CONFIDENTIAL

NPC KPI 22: Environmental Code of Practice for Packaging

KPI 22A: Has the Environmental Code of Practice for Packaging been formally adopted? **Yes**

NPC KPI 26: Buy Recycled Purchasing Policy or Practices

KPI 26A: Has Myer adopted a buy recycled purchasing policy or practices? **No**

NPC KPI 27: Establishment of baseline performance data

KPI 27A: Has Myer reported indicative baseline data (where available), including qualifiers & assumptions, by 30th November 2008? **Yes**

KPI 27B: Has Myer reported established baseline data by 31st October 2008? **Yes**

NPC KPI 28: Annual Reporting against Action Plan

KPI 28A: Report lodged by 31 October each year and outline progress against baseline data, individual Action Plan commitments, targets and timelines. **Yes**

NPC KPI 29: Demonstrated improvement and achievements against individual targets & milestones

KPI 29: Annual report clearly demonstrates continuous improvement and performance against individual targets and timelines in Action Plan. **Yes**